



# **Vermont Community Broadband Board**

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Board Packet Executive Summary

August 14, 2023

Christine Hallquist, Executive Director

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### **Emergency Board Decision**

The Vermont Emergency Board met as part of the state-wide crisis related to the recent flooding. The Board is set up to manage the state and funding in the event of an emergency. The Vermont Emergency Board (E-Board), established under 32 V.S.A. §131, is composed of the Governor and the Chairpersons of the Legislature’s four (4) “money committees” (Senate Appropriations, Senate Finance, House Appropriations, and House Ways & Means Committees). The Board has temporarily reallocated \$20 Million (out of \$30 Million) in funds that are committed for use by the VCBB to match federal funding sources, such as BEAD to the emergency flood relief effort. The Administration has committed to return those funds in time for the BEAD program. A representative from Finance and Management will be at the Board meeting to provide further information and answer questions.

### **Lamoille FiberNet Grant Request**

Staff recommends the Board approve the Lamoille Fiber Preconstruction Grant request of \$1,724,479 and the Construction Grant request of \$13,588,636 for the towns of Belvidere, Cambridge, Eden, Elmore, Hyde Park, Johnson, Morrystown, Stowe, Waterville, Wolcott. This request covers 550 miles and 7869 passings (4170 eligible addresses) with Fidium taking all the risk related to the business case. The total cost of the Project is \$23.7 Million with Fidium contributing \$9.8 Million or 41% of the cost (VCBB share is 59%). This Grant Request has been reviewed by CTC (VCBB’s contract engineering firm) who has determined that the request complies with VCBB Outside Plant Requirements.

### **Otter Creek Grant Request**

Staff recommends the Board approve the Otter Creek Grant Pre-construction grant request of \$1,314,650 and a Construction Grant request of \$9,952,273 for the towns of Benson, Brandon, Castleton, Chittenden, Fair Haven, Goshen, Hubbardton, Pawlet, Pittsford, Poultney, Sudbury, Wells, West Haven. This request covers 356 miles and 4135 passings (2316 eligible addresses) with Fidium taking all the risk related to the business case. The total cost of the Project is \$14.3 Million with Fidium contributing \$4.3 Million or 30% of the cost (VCBB share is 70%). The total Universal Service Plan cost is \$19.0 million of which the VCBB is contributing \$9.9 million which would be a VCBB share of 48% and Fidium share of 52%. This Grant Request has been reviewed by

CTC (VCBB's contract engineering firm) who has determined that the request complies with VCBB Outside Plant Requirements.

**ECFiber Grant Request**

Staff recommends the Board approve the ECFiber Grant request of \$13,227,657 for the towns of Bradford, Corinth, Fairlee, Newbury, Topsham, Washington, West Fairlee and Windsor. This request covers an additional 543 miles and 8156 passings (3457 eligible addresses) to their existing network which ECFiber has been successfully constructing for the past 15 years. The project total cost is \$30.4 Million with ECFiber contributing 55% of the cost through bonds (VCBB share is 45%). This Grant Request has been reviewed by CTC (VCBB's contract engineering firm) who has determined that the request complies with VCBB Outside Plant Requirements.

**Program for Sub-Grantee assistance to Participate in BEAD**

As part of the 2024 budget approved by the VCBB Board, a line item in the budget was allocated for "Capacity Grants" with the staff assurance that the Board will have the opportunity to approve the grant program related to this line item. This competitive, needs based program will provide potential provide sub-grantees financial and technical support in preparing and applying for BEAD funding. Staff will present an outline for the proposed grant program to the Board for approval. The goal of the program is to increase the quality of applications and to ensure participation by non-traditional or disadvantaged entities.

**Executive Session - Personnel**

There will be a discussion related to a change in status and/or title of an existing position.

**Vermont Community Broadband Board Meeting  
Monday, August 14, 2023, 12:00pm – 4:00pm  
AGENDA**

The Meeting is being held virtually.

[Click here to join the meeting](#)

Join by Phone; [+1 802-828-7667](tel:+18028287667),[46514401#](tel:+18028287667)

*Note: there may be executive sessions as needed.*

- 12:00 1) Meeting Call to Order, Roll Call, Approval of Agenda
- 12:05 2) Approval of Minutes (June 12, July 18, July 28)
- 12:10 3) State of Vermont Emergency Board Decision Regarding Match Appropriation – *Staff, Finance and Management*
- 12:30 4) Lamoille FiberNet Construction Grant Application – *Lisa Birmingham, CTC, Staff*
- 1:25 5) Otter Creek Construction Grant Application – *Laura Black, CTC, Staff*
- 2:15 6) ECFiber Construction Grant Application - *F.X. Flinn, CTC, Staff*
- 2:45 7) VCUDA Updates – *Rob Vietzke*
- 2:55 8) BEAD Update & Intro to Needs Based Program to Boost the Ability of Potential Sub-Grantees to Participate in BEAD – *Lucy Rogers and Rob Fish*
- 3:10 9) Public Comment
- 3:15 10) Parking Lot – *Christine Hallquist*  
Sub Committee assignments – *Patty Richards*
- 3:45 11) Executive Session: Personnel - *1 V.S.A. 313(a)(3) the appointment or employment or evaluation of a public officer or employee - Christine, Toni, Rob & Board*
- 4:00 12) Confirm Special Meeting Date and Next Regular Meeting 9/11 & Motion to Adjourn

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# Vermont Community Broadband Board Meeting

## Monday, June 12<sup>th</sup>, 2023, 12:00pm – 4:00pm

### Minutes

#### 1) Meeting call to Order, Roll Call, and Approval of Agenda

Patty Richards called the meeting to order at 12:17 and completed roll call.

- Patty Richards, Chair (Remote)
- Laura Sibia (Absent) – joined at about 1:12
- Brian Otley (Remote)
- Holly Groschner (Remote)
- Dan Nelson (Remote)
- Christine Hallquist - Staff (Remote)
- Robert Fish – Staff (Remote)
- Toni Clithero – Staff (Remote)
- Alissa Matthews – Staff (Remote)
- Lucy Rogers – Staff (Remote)
- Kristin Brynga – Staff (Remote)
- Heryn Herzog – Staff (Remote)

Patty Richards made a motion to approve the agenda as posted. Dan Nelson seconded, and it was unanimously approved.

#### 2) Approval of May 8 Meeting Minutes

Patty Richards moved to approve, Brian Otley seconded, and the motion was unanimously approved.

#### 3) Introduction to and Framework of Confidential Legal Issues – *Toni Clithero – Executive Session - Confidential attorney-client communications made for the purpose of providing professional legal services. 1 V.S.A. § 313(a)(1)(F)*

The Board needs to be informed of a legal issue. Toni Clithero explained this is an opportunity to inform the Board of a brewing legal issue. Patty Richards made a motion to go into executive session, seconded by Dan Nelson. It was unanimously approved. Toni Clithero, Christine Hallquist, Lucy Rogers, and Rob Fish joined the executive session, as well as the Board members. They returned from executive session at 1:08. No action was taken.

#### 4) Budget Presentation – *Christine Hallquist*

Christine Hallquist presented the budget. Reporting will be done on a quarterly basis once the budget is approved. (See Appendix 1 for more information and charts). Brian Otley asked about contractual grant. He asked to clarify that that means incoming funding from an external source used to pay either for operational expenses or awards, correct? Christine Hallquist said this is what we're paying out, yes, this budget is the proposed cost side.

She explained the difference between contractual and non-contractual grants. Both are to cover contracts they have with third parties. Holly Groschner said contracts are expenditures that are not capital in nature. Christine Hallquist said that is right. Big drivers here are personnel and contracts. Brian Otley said the name should be changed from “non-capital grants” to “non-capital grant costs.” Christine Hallquist said she will change that.

Laura Sibilila joined the meeting at this point.

Christine Hallquist started with contract costs first. The Vernonburg contract is being paid for by infrastructure grant and equity grant.

Holly Groschner asked how the Vernonburg contract could be a construction grant? Christine Hallquist said she’s using the terms from the federal programs. Holly Groschner said the BEAD money is also for planning. Christine Hallquist said yes, it is. Brian Otley suggested adding a line that says the deliverables. Christine Hallquist will investigate if that’s possible.

Holly Groschner asked if it could call it BEAD infrastructure or planning so it doesn’t show up as a capital cost. Brian Otley said planning can be lumped into capital costs. Christine Hallquist said it’s categorized by the money that’s paying for it, a planning grant.

Holly Groschner asked whether the money has to be subgranted? Christine Hallquist said it is not being subgranted. There is a separate capital grant program. Capital is not addressed in this. Brian Otley said it is confusing the way it’s labeled. Christine Hallquist said it is how Power BI (the state system) works, but she will try to work on that.

Dan Nelson says the names are automatically generated.

Christine Hallquist talked about asset mapping and technical workshops. She explained capacity grants. It’s money to provide CUDs money to update their business plans. Digital equity community outreach is a big part of the work we’re doing. That covers BEAD and digital equity.

Next is NBRC grant that the Board approved. VCUDA capacity grant is part of that. It is for shared services for CUDs. As built inspections will be done by NB&C. \$24,000 is set aside for make ready support, but might not need to use it. Patty Richards asked about that line item. Christine Hallquist said we probably won’t need to use it.

Christine Hallquist said there is a VCBB TBD item. It’s for flexibility since things are changing. Patty Richards asked how that number was calculated. Rob Fish said that was the remaining funds.

Christine Hallquist said we are using Ice Miller to help with match and letter of credit. There is money for grant writers. Rob Fish explained that CUD Broadband Finance Program is additional grants along the lines of what we did for NEK Broadband. Christine Hallquist said Stone and CTC engineering come out of USF. Rural Innovation Strategies is analysis we’ve already done.

Holly Groschner asked where to find anything on affordability in the budget. Christine Hallquist said we need direction from the Board on that, on how to address affordability. Patty Richards said they’re going to come back around to it. Holly Groschner and Laura Sibilila are coming back with more for them. Patty Richards said we need to come back with a definition of affordability and a policy in order to hold the CUDs responsible for it. Holly Groschner said CUDs will need

support on this. She suggested taking 10% off the top of capital and non-capital costs and setting it aside for affordability evaluation and administration. Not supplementing rates. Christine Hallquist said we have a broadband project developer starting soon. This will be that person's job. Christine Hallquist said we need to make a plan first. Holly Groschner says the Board opens themselves up to criticism if they don't have a line item for affordability.

Laura Sibilialia said affordability goes to the accountability issue and retaining that ability for the public good. When we get into situations where we don't have strong contracts that ensure the public good in perpetuity, we're not doing our job in assuring affordability going forward. Private for-profit companies can drop prices for some time and then raise them. That's happening in an attempt to undermine public accountability.

Dan Nelson says this is a good budget. Until we have a policy, this is a great start. Affordability needs to be sustainable, not based on grants.

Dan Nelson left at 1:36, plans to return.

Brian Otley said affordability was an element of the plan of each CUD. Our role is to monitor and make sure it's part of all business plans, not to develop it.

Holly Groschner said she's read the grant language and all they do is ask CUDs if they are doing affordability. We need to set aside funding to pay for the evaluation, administration, opportunity to investigate affordability and make it a priority. We need a policy and anticipate it will be harder to take money away from categories once they're committed.

Brian Otley said that makes sense. We should have a policy. Then CUDs will more likely hit the mark.

Holly Groschner says she doesn't agree that it doesn't belong in the budget now. It should reflect the mission and objective of the VCBB.

Patty Richards said it is the CUDs' responsibility to address affordability. We need our definition of what that means. Line item of \$205,000 can be used if we need to.

Holly Groschner suggested changing the line-item name to "affordability administration" from "VCBB TBD." Christine Hallquist said that's fine. Line item 11 will be renamed "affordability administration." We will need approval from NBRC since the money comes from there. It's a place holder for something we may need.

Patty Richards – asking for approval for 4.4 million? Christine Hallquist said yes.

Christine Hallquist said the personnel budget is self-explanatory.

Holly Groschner asked if there's a scope of work for the PSD contract? Christine Hallquist said it's not a contract, it's a position. That's Kristin Brynga's former position.

Laura Sibilialia– is this sustainable through the USF? Christine Hallquist said yes, and we will look at personnel costs as time goes on. Laura Sibilialia said USF is likely to be declining unless something changes. We need to make sure we're keeping an eye on our staffing and funding.

Laura Sibilia moved to approve the budget with changes suggested by the Board. Patty Richards seconded, and there was unanimous approval. Dan Nelson was not present for the vote.

Don't need approval for individual grants because the Board approves each.

### **5) BEAD/Digital Equity: Vernonburg Project Presentation, Overview, and Timeline – Christine Hallquist**

Introduced Vernonburg for an update to keep the Board informed. Lucy Rogers will start presenting to the Board since she has their presentation and send a note to Vernonburg to find out if they're having difficulty getting on the meeting.

(See Appendix 2 for presentation slides).

Christine Hallquist asked if we can do staff updates first and then Vernonburg can present when they're here since we finished prior agenda items earlier than they were scheduled. We did staff updates next and came back to Vernonburg.

### **6) Staff Updates**

- General VCBB Updates – *Rob Fish*

Rob Fish gave an update on the hiring process and an update on the FCC challenge results.

- Dashboard Review – *Alissa Matthews* – did not go to Alissa Matthews for an update.
- Communications & Media – *Herryn Herzog*

Herryn Herzog gave an update on recent media stories and reminded everyone that links to all stories are on the "VCBB In the News" page on our website.

Patty Richards asked about the letter of credit issue. Christine Hallquist said we are asking for a waiver from the federal government and reaching out to different organizations to help us out on that.

Patty Richards asked about a weekly update on the programs we're going after. Christine Hallquist said there is no update, and we should know something at the end of July. Patty Richards asked Laura Sibilia if she's familiar with it. Laura Sibilia said she was not aware the application had been submitted. Laura Sibilia said they should talk about whether the Board should be made aware when applications are submitted. Christine Hallquist said they were updated in the weekly update. Patty Richards said staff should work with Laura Sibilia and other state lawmakers to push this through. Laura Sibilia said this was submitted June 1 and was in the report June 6.

Toni Clithero said if we are going to discuss particular applications we need to go into executive session because these are confidential matters. Laura Sibilia said this is about dates, not the specific application. Patty Richards said this is about the process and leveraging our resources. Toni Clithero said this is a slippery slope and she's worried we could divulge confidential information that would jeopardize our application. Patty Richards wants to keep it in open session and will move if we need to.

Laura Sibilia wants to discuss protocol on submitting applications to make sure everyone is aware, particularly when we're looking at political entities. Laura Sibilia said this is our second constitutional officer issue that we've had. We've had discussions about testimony. She thinks the Board has to have the staff's back and it's impossible if they don't have the information on



what's happening with the staff. Holly Groschner said this should be added to the parking lot and staff can come up with policy. Patty Richards said this is a growth issue, not throwing anyone under the bus. Staff will pull something together on this for the next meeting.

Rob Fish added that we decided to apply for a USDA Broadband Technical Assistance grant.

The Board is the VCBB. When there are decisions regarding funding and critical issues, we need to keep Board members engaged in that process. Christine Hallquist said staff will come back with a policy for the Board to review.

Christine Hallquist asked what the Board's will on the USDA application is. Do they want a special meeting or staff not to apply? Patty Richards said she just wants to know about it but doesn't want to hold it up. Holly Groschner said that is next week. It would be great if there is a thumb nail included this week to let them know.

### **Vernonburg Update**

Breese McIlvaine presented Vernonburg slides. (See Appendix 2)

Holly Groschner asked if there's a place on the web for the public to go to to get more information about our listening sessions. Alex Jeffery from Vernonburg Group said we have a calendar, but we can add more information to the calendar.

Alex Jeffery presented more information about the next steps, RFI (request for input) has gotten responses, and they've added weekly office hours.

Starting this week, we are starting in-person and virtual listening sessions for the next three weeks or so, designed to be discussions that are community-led to hear lived experience of Vermonters.

Paul Garnett from Vernonburg Group presented early input we're getting from stakeholders.

Patty Richards asked about the slides. They say they're confidential, but are they really? Can we put them on our website? It shouldn't say they're confidential so there aren't any concerns about confidentiality.

Laura Sibilgia asked to what extent are they monitoring ACP? Paul Garnett said it was separate and will run out unless it's extended and asked how that takes away funding. Laura Sibilgia said it's a subsidy for private providers and undermines the buildout of community projects like ours. Paul Garnett said it's not just for for-profit providers.

Holly Groschner thanked Paul Garnett for the comment. ACP is allowing low-income households to participate in community broadband in ECFiber. They are benefiting. We should be careful about how we address this. Laura Sibilgia said it should be applied to public programs only.

### **7) VCUDA Updates – Rob Vietzke**

Ellie de Villiers did the VCUDA update. CUD construction season is in full swing. DVFiber has a contract for its build out. CVFiber, NEK Broadband, and Maple are all very busy with

construction. Southern VT is ahead of schedule. ECFiber is about to complete its original 23-town network.

NBRC agreement is signed. The timing is good. We need a little cross-CUD support.

BEAD planning 5-year action plan – comment period is critical for the CUDs. Encouraged by the work so far.

Want to understand how public comment will be reviewed and discussed by the Board before the Board approves the plans.

Multiple CUDs were having issues with a pole owner. They made progress on a number of issues.

### **8) Public Comment**

Christa Shute said at the last meeting Rob said she would provide written comment on accountability and affordability. She does intend to do that. She's behind schedule due to a family emergency. She said they're very excited about the ReConnect award. It will impact many towns and the CUD as a whole. ReConnect event is coming June 24.

F.X. Flinn said everyone is invited to ECFiber's golden patch cord event. Senator Welch will be there. They're hoping Governor Scott will be there. They're hoping for a crowd. This symbolizes the completion of their original 23-town network. June 16 will be ECFiber's ninth anniversary.

### **9) Parking Lot – *Christine Hallquist***

Two things – follow up from the report from the Auditor's Office. Patty Richards is working on that. Christine Hallquist said she added an item to develop a policy on how staff keeps the Board informed.

### **10) Confirm Next Regular Meeting 7/10 & Motion to Adjourn**

Patty Richards asked Christine Hallquist if we can move the application deadline back. Christine Hallquist said she has to consult with staff. Patty Richards asked how many grant applications are coming in July. Christine Hallquist said four or five, and we might need to have another meeting in July. Patty Richards said we should hold the meeting on July 10<sup>th</sup> and see how far we get. Then we can hold another meeting if needed. Other Board members agreed. Holly Groschner asked that an accountability and affordability discussion be put on the agenda.

Christa Shute clarified that she was asking to extend comment period to Vernonburg Group to June 25 or 26, not the application deadline that Patty Richards referred to.

Patty Richards moved to adjourn, Laura Sibilia seconded, and the motion passed unanimously.

Press inquiries: please contact Herryyn Herzog, [herryyn.herzog@vermont.gov](mailto:herryyn.herzog@vermont.gov) (802) 522-3396.

# Vermont Community Broadband Board Meeting

## Tuesday, July 18<sup>th</sup>, 2023, 08:00am – 12:00pm

### Minutes

#### I. Meeting Call to Order, Roll Call, & Approval of Agenda

Patty Richards called the meeting to order at 08:10 and completed roll call.

- Patty Richards, Chair (Remote)
- Laura Sibilila (Remote)
- Brian Otley (Remote)
- Holly Groschner (Remote)
- Dan Nelson (Remote)
- Christine Hallquist - Staff (Remote)
- Robert Fish – Staff (Remote)
- Alissa Matthews – Staff (Remote)
- Toni Clithero – Staff (Remote)
- Steven Zubkoff – Staff (Remote)
- Britaney Watson – Staff (Remote)
- Hunter Thompson – Staff (Remote)
- Heryn Herzog – Staff (Remote)
- Lucy Rogers – Staff (Remote)
- Kristin Brynga – Staff (Remote)
- Chance Payette – Staff (Remote)

Patty Richards made a motion to approve the agenda with a suggested change of adding a section for “Ex Parte communications” by Holly Groschner. Inserting the requested topic immediately after this section.

#### II. Ex Parte Communication

Discussion between Patty, Holly, and Christine focused on what items should be acted on during the public meeting versus what items had been properly warned. Patty will look into the procedural aspect with Robert’s Rules of Order to assist with determining what the Board should be discussing when items for discussion have not been warned. Laura mentioned scheduling Board meetings twice a month instead of the current once a month meeting. Brian thought if more meetings were to be scheduled, they would have to be only an hour to an hour and a half in duration as the current four-hour blocks are difficult to clear, Dan echoed once a month meetings and maintaining flexibility if other meeting were needed to deal with a particular issue. Patty agreed with maintaining the once-a-month schedule and adding additional meetings if necessary. Dan mentioned the potential of sub-committees to address some of Laura’s concerns and discuss policies. Dan also mentioned adding a discussion regarding safety concerns and construction.

#### III. Approval of June 10<sup>th</sup> Meeting Minutes

Tabled until August 14th meeting.

#### IV. Accountability Policy for Grants - Holly Groschner and Laura Sibilila

Patty commended the effort put forth by Holly and Laura in developing this policy, Laura recognized the work done by Toni Clithero. Holly began the presentation regarding the Policy, see attached slides, noting an important part of the policy.

- Addressing the payout process as follows: 30% on execution, have a performance payments up to 30% based on the approval of the grant manager and then after completion of 50% of the projects that you can have 60% of the payments out it appears, but there is up to 90% available at 50% of the project and then 10% upon compliance and testing.
- Dan mentioned adding Indicators to Performance. Holly continued with stating page five established standards for recouping of grant funds and transferring ownership of grant-funded network assets if a grantee materially fails to comply with the terms and conditions of a grant, and it's really up to the VCBB to determine how much of the grant funds should be recouped. Of course, based on recommendation of staff, but I think one of the things we need to know and it's an item for the parking lot is what is the process staff is following for review. The Board would like to see a presentation from staff on the process of grant review. added to the parking lot.
- Open architecture is required, as this is public money, and it was the intent that the networks have an open architecture policy. This is undrafted and deserves maybe the same subcommittee that Dan is leading could pick this up. Dan commented that the policy should enable the staff to do approvals because a lease or an assignment or an IRU with the service provider in that territory, we wouldn't want that to conflict with what's intended here so that the Board does not need to approve this. Patty supports the secondary lien approach, making sure we get feedback from VCUDA and the CUDs on this item because it's imperative we don't hold up the lending capability.
- Next, continuity of service, and this requires some reporting from the CUDs and this is an obligation on our part and to make sure there's uninterrupted broadband service I think it's only appropriate that when we're looking at the standard of availability, we also have the opportunity to tap consumer complaints that are registered with the Department of Public Service. This requires an annual submission by CUDs. Staff would have to develop what that submission looks like, more than a one pager, that goes to the standards that are adopted here. Creating an operating agreement that ensures the performance meets the standards and how it will be enforced. Based on subsection B. Add this to the parking lot and please note that the CUDs and VCUDA should take an active role.
- Prohibit the sale or transfer grant funded network assets without the prior written approval of the Board for projects funded by the grant. This item should be added to the parking lot as well.
- Allow an applicant to seek reconsideration of a Board or staff decision.
- Ensure Project Completion within 24 months of the date of the grant unless the term of the grant is extended by decision of the VCBB for cause.
- Comply with Administrative Bulletin #5 and 3.5. 8086H1 requires CUDs borrow funds for personal financing and to provide written notice to the VCBB in the event that the CUD becomes aware that it's at risk of financial insolvency. This should be added to the parking lot. CUDs have annual auditing requirements.
- Sunset Provisions, a request from Holly to form a subcommittee to discuss the sunset provisions and what legislative initiatives or interagency activity needs to happen to address the sunset provisions including continued monitoring of public interest.
- The implied accountability for the VCBB to protect the public interest. The priority is given for universal service and geographic distribution of funds. This is something that staff has implemented, in the grant process, but we need to state that we're looking at 8086 B in making grant decisions across the grant making program as a whole, not on a one-to-one comparative basis, it's implied in the in the language of the act that we're going to have 12 grants lined up, and we're going to pick the ones that give priority to universal service and

geographic distribution funds. Clarification on the implication is important moving forward. Adding this to the parking lot to ensure priority is given to addresses, we have made a policy decision to prioritize addresses on the grid. That does not satisfy the totality of the directions of the act, but that's definitely within our authority to determine that grid-connected addresses are the are a priority in making the grants, and that policy has to be stated here. Dan noted that the implied accountability requirements to protect the public interest is where the language is for prioritization of on-grid locations.

- Leverage existing private resources and assets with the high priority given to partnerships between CUDs and a distribution utility. There should not be a need for a policy that's prioritizing partnerships between CUDs and distribution utilities.
- Project Readiness is incorporated already by the viable business plan requirement and is already part of the grant application process.
- Provide broadband service that complies with net neutrality and consumer protection standards. A certification of each grantee annually that it meets the service conditions described in subsection 348B and subsequent section 348V. This is currently a voluntary consumer standard certification, but we would like grant recipients to be obligated to make those certifications and incorporate in the standards that are set for 348B for all of the lifetime of those assets. The subcommittee should look more into the criteria and what is a reasonable indicator of service and also is enforceable.
- Support low income or disadvantaged communities. What we've chosen to do is to rely on universal services. So this is really a basic policy that suggests that if you feel that there is a grantee that is avoiding service to certain people or areas that seem to fit a profiling problem, you could appeal to the VCBB because this policy is in place.
- Promote geographic diversity of fund allocations is in the Statute, but it's already addressed at -8086B, noting that it's addressed.
- Provide consumers with affordable service options, this is a call to create an outreach and equity plan for the inclusion of low-income households. So, we're asking for an outreach and equity plan, and I think we're going to need to create standards for those plans. Please add to the parking lot of what those plans should entail, but this is about evolving best practices.
- Include public broadband assets that can be shared by municipal service providers that can support a variety of public purposes. Open Architecture reference.
- Under this section, VCBB Board will not accept self-certification by the applicant or grantee to establish accountability for the public interest obligations of construction and operation, assets paid for and more in part by the Community Broadband Fund. Further details will be developed in connection with the work relating to the sunset provisions.

Laura made the motion to pause grants until the VCBB adopts these policies, seconded by Holly. Discussion included set a special meeting for July 28<sup>th</sup> to specifically address this policy. There was a suggestion put forward by Christa Shute to consider we act on the NEK and the Maple Grant today, with the caveat that the issuance of the grants today, if approved, would be subject to any policies that are adopted by the VCBB.

For the special meeting on the 28<sup>th</sup>, all board members are available at 08:00 with a hard stop at 11:00 for Dan.

The Board heard from Rob Vietzke from VCUDA. Rob will work on providing a list of statements that they would want to focus on.

Laura suggested the VCBB include VCUDA and the CUDs on the subcommittees to develop VCBB Policies.

Moving forward with the scheduled special meeting on the 28<sup>th</sup>, Laura said she would be happy to withdraw and that the Board proceed with these two grant applications, hearing them and making decisions on them.

Laura withdrew her motion and Holly concurred with the withdrawal as the seconder of the motion.

The motion is no longer on the table, No further action required.

Submissions or comments to be considered on the special meeting on the 28<sup>th</sup> must arrive to Toni by the 24<sup>th</sup> by noon.

#### **V. BEAD Initial Proposal & Five-Year-Plan. – *Lucy Rogers and Vernonburg Group***

See attached presentation slides.

Lucy Rogers introduced the BEAD Initial Proposal and the Five-Year plan and answered questions from the Board on the differences. Lucy introduced Breese McIlvaine from the Vernonburg Group. Breese explained Vermont is working toward this vision through coordinating, facilitating, supporting, and accelerating community broadband solutions. Outlined in the five-year action plan five goals for this effort.

- The first is mobilized resources for end-to-end fiber broadband infrastructure deployments to all unserved and underserved locations and community anchor institutions, then also ensuring sustainable community-driven solutions across the entire state.
- We also want to ensure high-speed broadband services and devices are affordable and advance digital equity for all Vermonters, and an advanced workforce development for broadband and the digital economy, and also improve socioeconomic conditions across Vermont.

As part of the plan, we include information about the current state in Vermont for our broadband access, broadband deployment, adoption, affordability and broader digital equity.

And so in the plan, you'll see some description of needs and gaps as well as assets in the state of Vermont around these areas. And just to call out a few that are familiar to you,

- about 20% of households in Vermont lack access to 100 by 20 megabits per second broadband connectivity
- of the Vermont households that are eligible for a for ACP, the affordable connectivity program, only 17% are have enrolled so far, and 23,000 approximately Vermont households have access to the Internet but can't afford it right now. This includes both mobile phone and broadband service.

Laura asked for a list of who is receiving those subsidies in the state of Vermont by company. Lucy will work with Vernonburg to pass it along to the VCBB members.

Christine and Board members commended the work from Vernonburg. Patty asked about deadlines for comments from the Board, Lucy responded with if there's any comment that you feel you absolutely need to discuss with us prior to the posting of the rough draft for public comment, we need to have that conversation by the end of the day today.

As far as comments, we will continue taking comments from Board members as we take comments from the public as well and the deadlines are August 02, 2023 for the 5-year action plan and August 18, 2023 for the Draft Initial Proposal.

#### **VI. Workforce Development Proposal – *Christine Hallquist***

*Moved to after the Grant Proposals, items VII and VIII*

\$516,000 was granted by the State to the Department of Labor. Other Agencies are not able to take on this grant due to staffing issues. So we've got the training being carried out by the Fiber Broadband Association and that we're using their training package and the Wireless Infrastructure Administration already manages these apprenticeship programs. Office of Professional Regulation should be contacted. Holly pointed out that we need to approve this now because otherwise we're waiting a whole year to initiate or continue this training program that we had planned to do.

Patty Richards put a motion on the table that we approve the acceptance of a grant from the Vermont State University of \$516,000, subject to Christine pursuing the OPR Certification, Office of Professional Regulation. Holly Groschner seconded. No further discussion. Holly, Laura, and Patty all voted in favor, Dan and Brian were absent for the vote.

**VII. NEK Broadband Grant Proposal- Christa Shute**

Construction Grant Awarded:	\$20,865,889
Grant Amendment requested:	\$17,939,636
Total Amended amount:	\$38,805,525
Total miles of construction:	499'
Premises passed	6693 (4538 eligible)

Board discussion ensued for clarifying questions regarding expended funding, flooding, and skipped unserved addresses. Unserved addresses were intentionally left for BEAD funding.

Patty Richards put a motion on the table to approve the NEK broadband grant request of \$17,939,636 subject to VCBB policies including future policies. Motion was seconded by Holly Groschner. No further Discussion. Holly, Laura, Dan and Patty all voted in favor. Brian was absent for the vote.

**VIII. Maple Broadband Grant Proposal- Ellie de Villiers**

Existing Grant	\$8,686,000
Current Grant Request	\$2,157,386

Increase miles from 180.6 to 244.3.  
Increase addresses passed from 1,188 to 2,748.  
Add service in portions of Vergennes, Ferrisburgh, New Haven, Monkton, and Waltham.

Board discussion ensued for clarifying questions regarding expended funding, flooding, and areas that are already served are not included. Costs were reduced per mile, Ellie shared that lower construction costs were lower than projected.

Patty Richards put a motion on the table to approve the Maple Broadband grant request of \$2,157,386, subject it to being consistent or subject to VCBB current and future policy. Seconded by Holly Groschner. No further discussion. Holly, Laura, Dan and Patty all voted in favor. Brian was absent for the vote.

**IX. VCUDA Update – Rob Vietzke**

- Rob Vietzke reported that the public comment process that's opening up is really important, for information, VCBB sent out a 52 question RFI a month or so ago. VCUDA responded

with 43 pages of comments to those 52 questions, and frankly we were concise. But there is a lot of detail and nuance in the way these programs need to be implemented in order to protect the public trust and make sure we maintain the community broadband aspect of the programs through BEAD.

- We also sent out a RFP for a strategist to assist with BEAD commentary and to help the CUDs with that, and we have a contractor that we were planning to bring in in August as a shared service to help us through both the comment period for volume 2 with some expertise and the way the NTIA thinks about these things as well as to help us through the application process and the competitive grant process.
- We accepted an offer yesterday afternoon for an associate program coordinator, so that will be a full-time staffer joining VCUDA in mid-August, and that's kind of the first piece of the shared services infrastructure that we're working on.
- Finance Committee is working on a request for information related to the Shared Treasurer and some of the financial support services, as well as HR as an expanded scope.
- We are starting to have a number of conversations about financing that matches up to both the letter of credit and the minimum 25% match criteria for bead.
- We're talking about legislation for 2024 and of course, reactions to the five-year plan and volume one and the challenge process.
- We have received a draft MOU from Green Mountain Power related to the tariff rider credit extension, which is up next March and we have replied with comments.
- We think it's a really constructive set of agreements that will increase the partnership between Green Mountain Power and the CUDs and so that's not done yet, but it's really on a good track in terms of creating some new opportunities, extending the tariff rider credit, and increasing the way that tariff rider credit can be used across make-ready applications.

## X. Staff Updates

*Moved to after the Public Comments, item XII*

- General Counsel - *Toni Clithero*
  - Executive session? Toni would like to recommend that the Board essentially adopt each of the proposals, the five-year plan, the initial proposal volume one and two, and then it will be the final proposal, but each one of these particular deliverables is going to ultimately constitute this new program that the Board is going to be administering. And so based on the Board's authority under 8084 A to have approval authority with respect to program design, I think it's imperative for the Board you do more than just provide comments, but to actually have a formal adoption of each of these deliverables.
- General VCBB Updates – *Rob Fish*
  - Weekly reports have been provided to the Board.
  - New staff: Steven as our broadband project developer, Chance as our Administrative services 3 and Britaney as our Digital Equity Officer. We will do a more formal introduction at a later meeting to save time today.
  - We officially received our rejection letter from the NTI Middle Mile grant program. This was expected. We are still waiting to do a feedback session with the NTIA to find out exactly why. Our initial impression is most of the grants that were approved had well over 50% match, which was way in excess of what was required.
  - This does open up the question of the Budget Adjustment Act. Last year, \$30 million was provided for the middle mile or other federal programs as match. So we are examining any changes that would be required or ways to leverage those funds to solve some of the other issues related to BEAD. Potentially also in regard to those other issues regarding BEAD with the letter of credit proposal



that we had submitted to the Treasurer for the Local Investment Advisory Committee, it's not going to be evaluated as a result of the funding. They're switching their focus entirely to housing and to flood relief, which is understandable.

- CUD Progress Updates – *Lucy Rogers*
  - We are expecting up to four applications for the August meeting.
  - Received a question if there is a possibility to transfer money from their preconstruction allocation into their construction allocation. Staff is reviewing for precedence. Ultimately, this will be decided by the Board.
- Communications & Media – *Herryn Herzog*
  - We have had a lot of media attention, and since our last meeting in June, we had several stories about our listening sessions we held across the state. We got a lot of coverage on our \$229 million federal BEAD allocation. I think I counted 16 separate stories and then there was also a lot of media attention for ECFiber's celebration of completing the network in their 23 original town.

**XI. Public Comment**

- No public comment.

**XII. Parking Lot – *Christine Hallquist***

- Determine what restrictions exist for ex parte communications,
- Develop Construction Standards,
- Annual Report Submission List,
- Develop Grantee agreement that VCBB will operate the system in the event of failure to comply,
- Develop Lien for the VCBB funded network and components,
- Policy for certification of Grantee compliance to Performance and Operating Standards.

**XIII. Confirm Next Regular Meeting 8/14, possible Special Meeting & Motion to Adjourn**

Discussion about availability to attend the next Board meeting, all agreed the 8/14 meeting will work from noon to 4:00 pm. The special meeting will be held on July 28, 2023, starting at 08:00 am to 11:00 am. Patty made the motion to adjourn. The motion was approved. And at 3:46 the meeting adjourned.

Press inquiries; please contact Herryn Herzog, [herryn.herzog@vermont.gov](mailto:herryn.herzog@vermont.gov) (802) 522-3396.

**POLICY EXPRESSLY REQUIRED BY LAW**

1. Project Readiness and Grant Assurance. Accountability –
2. Engineering Standards for Reliability, Resilience and Interoperability.
3. Recouping Grant Funds.
4. Transfer of Grant-Funded Assets.
5. Continuity of Service.
6. Authorized Ownership Transfers.
7. Anticipated Default, Notice
8. Appeal.
9. Completion Period.
10. Sunset and Transferability

**POLICY NECESSARY TO PUBLIC INTEREST AND PURPOSE**

1. Priority of Universal Service and Geographic Distribution of Funds.
2. Consumer Standards Certifications.
3. Low Income Inclusivity.
4. Affordable Service Planning and Reporting.
5. Prioritization of On-Grid Locations.
6. Prioritizing Fiber Plant.
7. [Additional Recommendations]

VCBB Staff Contact: Toni Clithero, Esq.  
7-6-2023

Vermont Community Broadband Board - Working Draft 1 July 12, 2023

# VCBB Accountability Policies 2023

Ensuring accountability for the public interest obligations of receiving grant funding pursuant to Act 71

## Table of Proposed Accountability Policies - July 12, 2023

### Accountability Policies of the VCBB

**Purpose:** This set of policy statements of the VCBB intends to address its obligations to protect the public interest as anticipated by the Vermont Legislature in its passage of Act 71 (Chapter 91A of Title 30, Vermont Statutes Annotated), from the specific requirements of construction of a reliable broadband network to the broader objectives of municipal service. This set of policies addresses three questions:

1. What standards guarantee “public accountability for serving all Vermonterers” applicable to the infrastructure built, in whole or in part, by the Vermont Community Broadband Fund?
2. What is the definition of accountability under Act 71 and who is held accountable?
3. How will the VCBB, or the State of Vermont, implement these policies to protect the public interest, and how can these accountability policies be enforced now and in the future?

**Authority of the Board.** The authority of the VCBB to enact this policy derives expressly and implicitly from 30 VSA §§8081, 8084, 8085, 8086, and 8089a.

**Application of these Policies.** The VCBB began awarding grants in 2021. These policies are intended to aggregate the obligations of the Community Broadband Fund grantees in one place and to clarify the policies of the VCBB. The obligation to hold grantees accountable for the public interest described in Act 71 is inherent in all grants issued by the VCBB under Act 71. Any exceptions or limitations to the application of these policies and the obligations for performance that they create are noted.

**Accountability.** These policies are designed to describe the scope of the public interest addressed by the legislature in Act 71, and clarify who is accountable for those results. The responsibility of the VCBB for administering the Community Broadband Fund requires that the VCBB plan for the intended public interest results and identify who will be accountable. Generally, those who receive distributions from the Community Broadband Fund will be accountable for the public interest the Fund is designed to deliver. The VCBB is accountable for ensuring that the Fund recipients are accountable for the public interest.

**Duration and Transfer.** Section 8089a of Title 30 expressly requires that the VCBB plan, by January 15, 2029, for the transfer of its legal obligations, including its obligation for the accountability of grant recipients or their successors, by recommending a designated State entity to assume such legal obligations or by recommending an extension on the statutory sunset clause applicable to the VCBB. While that recommendation is not made here, the VCBB recognizes accountability oversight is one of the legal obligations it must plan for.

**Definitions.** Unless defined in the policy statement or referenced standard, all terms in this policy statement have the meanings assigned to them in Act 71. The term “VCBB Board” is used throughout to indicate that the arbiter of application of this policy is a majority of the board of directors of the VCBB, appointed as provided in Act 71, unless such authority is expressly delegated to VCBB Staff or another designee.

Table of Proposed Accountability Policies - July 12, 2023

Act 71 Provision requiring Accountability	Current Practice: Grant Terms, RFP Certifications or Application Attestations	Proposed Board Policy
Express Accountability Requirements to Protect the Public Interest:		
Construction Grant Conditions- 8086(c)		
<p>(1) Payment schedule ensuring accountability And 8086 (d) (business plan) and (g) (sustainability requirement)</p>	<p><u>Maple Attachment B-Payment Section 4:</u></p> <ol style="list-style-type: none"> <li>a. Provides for payment of 30% on execution</li> <li>b. Provides for performance payments of up to 30% upon submission and approval by Grant Manager of a detailed construction engineering design where x%=fiber miles included in the portion of the design</li> <li>c. 30% is reimbursable for approved expenses with remaining amount of this 30% to be issued on completion of first 50% of project miles</li> <li>d. Construction completion payment of 8% based on grant agreement re compliance at completion (all testing and submission of required reporting data)</li> <li>e. Final payments totaling 2% upon submission of 6 and 12 month post project reporting and all required data</li> </ol> <p><u>SOVT Attachment B-Section 4</u></p> <ol style="list-style-type: none"> <li>a. Provides for payment of 1.7% on execution</li> <li>b. 90% due on completion of project;</li> <li>c. Final 10% upon submission post-project reporting after 6 months</li> </ol> <p>The Construction RFP requires applicants constructing private infrastructure to accept a maximum contract price and no payment until work is certified complete, whereas applicants building publicly owned infrastructure awards use an estimated price and provide for performance payments (see details above re Maple vs SOVT)</p>	<p><u>Project Readiness and Grant Accountability – Assurance.</u> The Board prefers to set a consistent grant disbursement program using incremental payments that are consistent among all grantees. Grant disbursements for construction grants require proof of project readiness and the financial preparedness of the grantee. (Construction and planning preparedness is the subject of grants under the Broadband Pre-construction Grant Program.) No grant funds shall be distributed without demonstration to VCBB staff of project readiness and financial preparedness, including acceptance of a viable business plan pursuant to Subsection 8086(d). Thereafter, grants shall be distributed according to the following (Maple) schedule:</p> <ul style="list-style-type: none"> <li>- 30% on execution</li> <li>- 30% on VCBB approval of the total engineering design for the approved construction</li> <li>- After completion of 50% of the project fiber miles, up to 30% of the grant funding is available to reimburse verified construction costs</li> <li>- 10% upon compliance with testing of the approved network, proof of service and</li> </ul>

Minor change: consistency of payment schedule for grantees

**Table of Proposed Accountability Policies - July 12, 2023**

		<p>revised approved business plan, and documentation requirements.</p>
<p>(2) Adopt industry-accepted engineering standard promoting reliability, resiliency and interoperability</p>	<p>Attachment A-Section 4b. Detailed Design-Both SOVT and Maple Requires compliance with Act 71 Outside Plant Design Standards; also restated in Section C (1) of Attachment A. Attachment A, 3(f) requires inclusion of industry-accepted standards for sustainability, redundancy or resiliency. These requirements are also listed at <a href="https://publicservice.vermont.gov/content/outside-plant-design-osp-requirements">https://publicservice.vermont.gov/content/outside-plant-design-osp-requirements</a>.</p> <p><b>Minor change: State a policy for the intended results of engineering standards</b></p>	<p><u>Engineering Standards for Reliability, Resilience and Interoperability.</u> The VCBB requires that all Community Broadband Fund grant-funded networks meet engineering standards that ensure reliable and resilient networks for delivery of broadband speeds of at least 100/100 gbps per location and ensure the network as constructed shall meet availability requirements of 99.9% or greater. Grantees shall also comply with applicable ANSI standards, construction regulations, and electrical codes adopted by the State of Vermont, and the Outside Plant Design standards (OPD) set by the VCBB as published at the time of the grant approval and incorporated into the grant. OPD standards shall provide engineering guidance and numeric technical standards for network construction to achieve resiliency, reliability, interoperability and open architecture, including but not limited to standards for the minimum number and type of fiber strands,</p>

**Table of Proposed Accountability Policies - July 12, 2023**

<p>new policy related to engineering</p>		<p>fiber sparing, allowable loss budget, growth planning, designated power supply and backup, PON splitter and OLT port per location, and the minimum drop budget. Grantees shall provide accurate as-built documentation and specifications for each network incorporating grant-funded assets. See Open Architecture Policy at 8086(b)(7)</p>
<p>(3) Establish standards for recouping of grant funds and transferring ownership of grant-funded network assets if a grantee materially fails to comply with the terms and conditions of a grant See also 8086(c)(5)</p> <p><b>Change: Implement a policy for both recoupment and transfer that include more enforceability through a lien or assignment that can be subordinated at the discretion of the VCBB Board.</b></p>	<p><u>Attachment B-Payment Section 6-Both SoVT and Maple</u> If Grantee does not fulfill its obligations or violates the Agreement the State shall notify of the breach, 30 day cure period, State may set off and hold payments until cured. If no cure in 30 days, State may require grantee to immediately reimburse the State any portion of grant funds not expended or improperly expended, or retain any portion of grant or other funds due grantee equal to the reimbursement amount and may terminate with written notice <u>Attachment D-SoVT-Contractor Breach, Errors and Omissions</u> provision, any breach has to be corrected at no cost to the State</p>	<p><u>Recouping Grant Funds:</u> The VCBB is obligated by law to ensure each grantee is accountable for the expenditures authorized in the grant, and to provide a means for recoupment in the event of nonperformance. If at any time prior to distribution of up to 100% of grant funds, VCBB staff determine that a grantee fails to meet the terms and conditions of a grant, staff shall provide written notice to the grantee and to the VCBB Board identifying the subject nonperformance. There shall be a cure period of 30 days from the date of the notice during which time grant funds shall not be distributed to the grantee. Grantee’s failure to cure nonperformance may result in cancellation of the grant or recall of up to 100% of grant funds at the discretion of the VCBB Board and the sale of the network assets to another public network operator. The grantee may appeal staff decisions of grant noncompliance or nonperformance to the VCBB Board at a regularly scheduled public meeting within 60 days of the written notice. <u>Transfer of Grant-Funded Assets.</u> The VCBB is obligated by law to ensure that the assets constructed by each grantee meet the public interest objectives of Act 71, including but not limited to universal service and continuous operation of the assets constructed using the Community Broadband Fund. The grantee is accountable for the public interest results set by the policies of the VCBB Board and Act 71. The VCBB is</p>

**Table of Proposed Accountability Policies - July 12, 2023**

		<p>obligated by law to provide a means to reclaim and transfer assets constructed using Community Broadband Funds if the terms of the grant are not met, including but not limited to the operation of the network in a manner that meets the public interest described in the VCBB's policies and Act 71. Therefore, prior to distribution of grant funds, the VCBB shall file a form UCC 1 with the Vermont Secretary of State, designating the name of the grantee, the miles of fiber and municipal location of the network construction, and specifying the State of Vermont as the lien holder subject to the terms of the grant and these accountability policies. It is the policy of the VCBB to subordinate its lien interest to the interest in title for purposes of securing financing that, in the discretion of the VCBB, is reasonably likely to meet the terms of the grantee's business plan and promote the sustainability of grant-funded network. The lien shall be released upon twenty years of operation of the network by grantee or such third party as the VCBB Board shall approve. The VCBB will summarize the grant terms and public interest accountability policies of the VCBB that attach to the operation of the network in the lien, and provide grantees with a form of agreement that provides the terms and effect of the lien. Should the VCBB exercise its rights under the lien, it shall have the right to transfer title to the network assets to a third-party public entity that is a communications union district or other public interest operator of broadband networks in lieu of recoupment of the grant funds. The grantee may appeal staff decisions of grant noncompliance or nonperformance to the VCBB Board at a regularly scheduled public meeting within 60 days of the written notice.</p>
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**Table of Proposed Accountability Policies - July 12, 2023**

<p>(4) Establish a continuity of operations plan applicable to a network owned by a CUD that, among other things, contemplates the Board assuming operational control of a network if necessary to maintain uninterrupted broadband service  <b>See also 8086(h) – notice of default</b>  <b>Change: Adoption of a Continuity Policy Requirement and notice of default.</b></p>	<p>TBD</p>	<p><u>Continuity of Service.</u> Reliability and interoperability are stated objectives of Act 71. The VCBB is obligated by law to provide an operations plan that assures operations of each network controlled by a CUD and funded by the Community Broadband Fund. Each grantee that is a CUD shall (a) annually prepare and submit to the VCBB a continuity plan that reasonably sets forth the operating requirements of the network, and (b) sign an agreement with the VCBB to allow the VCBB to assure operation of network assets in the event of a default on the obligations of the CUD or its operator of the network that threaten the continuity of service provided to customers, including but not limited to the right to designate a third party operator, at VCBB’s discretion, to ensure operation of the network for a reasonable fee until continuity of service is assured and the reliability/ availability standards adopted by the VCBB are met. It is the policy and obligation of the VCBB to take such reasonable steps as it determines necessary, at the grantee’s expense, upon ten days written notice from the date the VCBB Board determines that operation of the assets funded by the Community Broadband Fund do not deliver broadband service to the service area designated in the approved grant application that meet the VCBB availability/reliability standard of 99.9% or the VCBB receives notice of default pursuant to Subsection 8086(h). The VCBB Board shall receive any notices issued under Section 8086(h) of Title 30. The VCBB may consider consumer complaints of service outages received by the Department of Public Service as well as other third-party testing to determine continuity of service. Grantees shall prioritize service delivery during periods of default or bankruptcy, which obligation to operate shall survive the duration of the grant payout for a period of twenty years from the date of the grant award.</p>
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**Table of Proposed Accountability Policies - July 12, 2023**

<p>(5) Prohibit the sale or transfer of grant-funded network assets without the prior written approval of the Board; See also 8086(c)(9)</p> <p><b>Change: Policy for Transfer required</b>  <b>(Current certification is not likely to be binding or actionable, and does not set standard for approval of transfer)</b></p>	<p>The Construction RFP requires applicants to certify this requirement. See Eligibility Screening, Part 2, Section 6.</p>	<p><u>Authorized Ownership Transfers.</u> In order to ensure that ownership of grant-funded network assets are not sold, assigned or licensed without the written authorization of the VCBB Board, ownership of all assets constructed with grants of the Community Broadband Fund will be held in the name of the grantee and the assets shall be subject to a lien held by the VCBB or the State of Vermont (see VCBB policy 30 VSA 8086(c)(3)). The VCBB Board, in considering a request to transfer any interest in title to the assets, shall act on the request within 30 days by review of the transferee's ability and agreement to meet the public interest obligations and surviving grant contractual obligations that apply to assets funded by the Community Broadband Fund. Such transfer shall be subject to a new lien of the VCBB or the State of Vermont securing its interest pursuant to its policy granted by the transferee. It is the policy of the VCBB to subordinate its lien interest to the transfer of an interest in title to the funded assets for purposes of securing financing that, in the discretion of the VCBB, is reasonably likely to meet the terms of the grantee's or transferee's business plan and promote the sustainability of grant-funded network. This obligation to receive approval of transfer of an interest in title (of any kind) and the lien shall be released upon twenty years of operation of the network by grantee or such third party as the VCBB Board shall approve.</p>
<p>(6) Allow an applicant to seek reconsideration of an adverse Board decision</p> <p><b>Change: Adoption of Appeal Policy Required</b></p>	<p>The Construction RFP provides for an appeal of an adverse Board decision within 30 days</p>	<p><u>Appeal.</u> Unless otherwise provided herein, it is the policy of the VCBB to hear an appeal by a grant applicant of any adverse decision of the VCBB (including but not limited to the Board) at the next regularly scheduled meeting of the VCBB Board that is at least 30 days, but not more than 60 days, from the date of such adverse decision.</p>

**Table of Proposed Accountability Policies - July 12, 2023**

<p>(7) Ensure project completion within a reasonable period of time and consistent with applicable federal law and guidance <b>Minor change – extension process</b></p>	<p>Grant duration terms are reasonable and customary; RFP requires construction to be completed within 24 months</p>	<p><u>Completion Period.</u> It is the policy of the VCBB that grants made under the Community Broadband Fund will be completed, including all requirements made for final payment and compliance with all federal and state grant requirements, within 24 months of the date of the grant unless the term of the grant is extended by decision of the VCBB Board for cause.</p>
<p>(8) Comply with Administrative Bulletins No. 5 (Grant Agreements) and 3.5 (Contracts) <b>No policy required</b></p>	<p><u>Attachment B Section 9</u> for both SoVT and Maple imposes Administrative Bulletin 5 provisions with respect to Subgranting; Attachment C, Standard State Provisions for Contracts and Grants is included in all VCCB Grant Agreements.</p>	<p>No VCBB policy is required. These State contract provisions are incorporated into VCBB grants as required by law. In the event that the State Provisions conflict with federal grant requirements, the VCBB staff will seek guidance from the Attorney General and will advise the grantee and the VCBB Board in writing of any deviations from state protocols.</p>
<p>8086(h)(1) Requires CUDs that borrow funds for the purposes of financing a broadband project to immediately provide written notice to the VCBB Board in the event the CUD becomes aware that it is at risk of financial insolvency or of defaulting on the payment of principal and interest</p>	<p>TO BE ADDED TO RFP/GRANT AGREEMENTS</p>	<p><u>Potential Default, Notice and Recommendations.</u> It is the policy of the VCBB to promptly provide written notice to the Governor, the Treasurer and the Joint Fiscal Committee upon receipt of such notice from a CUD, and to prepare recommendations and advice to ensure continued operability and potential transfer of title in the event that the potential default occurs and is not cured. The VCBB's policy is that in the event that such default results in the transfer of title to the funded network assets, the VCBB will consider the transfer of title subject to its policies as if the CUD or grantee had requested the transfer of title.</p>
<p><b>Sunset Provisions (and Policy Implementation – 8089(a))</b></p>		
<p><b>TBD:</b> Requirement: plan for transferring its assets, liabilities, and legal and contractual obligations to another appropriate State entity. The Board may include in its report a commendation regarding the continued existence of the Board beyond its statutory sunset date.</p>	<p>This provision impacts who holds the right/obligation to oversee accountability and exercise contractual rights.</p>	

**Table of Proposed Accountability Policies - July 12, 2023**

Implied Accountability of the VCBB for the Public Interest		
Grant Evaluation Priorities 8086(b)		
<p>“The Board shall give priority...”</p> <p><b>Change: Policy statement for how to deal with Subsection (b) “priorities” is needed – as proposed.</b></p>	<p>Each of these is included in the Construction RFP, Project Prioritization Number (3) is also included in Attachment A, Section 4(f)-Retail Broadband Service requirement for no data caps, or throttled data for at least 5 years from date of award for SoVT and Section (B)(4)(g) for Maple</p> <p>In addition, as part of the Master Services Agreement between SoVT and Consolidated, Schedule C includes additional consumer protection measures and also incorporates the FCC’s affordability program.</p> <p>These provisions of Subsection 8086(b) require information to be collected in the grant process so that it can be considered. However, in order to “give priority” the VCBB would be required to consider Grant applications <i>against</i> each other. That has not been the reality of the grant process or the development of the CUDs.</p>	<p><u>Priority of Universal Service and Geographic Distribution of Funds.</u> The policy of the VCBB is to consider the priorities stated in Subsection 8086(b) in making its grant decisions, and to examine them across the grant program as a whole, not on a comparative basis. All construction grants require a Universal Service Plan. [8086(a)] In order to address the over-arching objective of Universal Service as well as to ensure geographic diversity of Community Broadband Fund allocations the policy of the VCBB is to reserve an allocation for each geographic area represented by CUDs existing as of June 30, 2021, and to review grant applications in the context of those allocations in the order they are presented and designated by the VCBB as project ready and consistent with VCBB policy. In its annual report to the legislature the VCBB shall report on the application of these priorities through analysis of the grant funds awarded.</p>
<p>(1) Leverage existing private resources and assets, with a high priority given to partnerships between a communications union district and a distribution utility; <b>No specific policy required</b></p>		<p>No new policy required. No applications have been presented that address this priority. All grant projects require collaboration with distribution utilities and are subject to Public Utility Commission pole attachment rules.</p>
<p>(2) Demonstrate project readiness</p>		<p><u>Project Readiness.</u> Incorporated by reference into Board grant accountability policy at Subsection 8086(c)(1). Note that board policy incorporates a</p>

**Table of Proposed Accountability Policies - July 12, 2023**

<p><b>Policy implemented</b></p>		<p>viable business plan as part of the demonstration of project readiness.</p>
<p>(3) Provide broadband service that complies with the net neutrality and consumer protection standards of 3 V.S.A. 348 <b>Change: This is an operations requirement that survives the grant payout.</b></p>	<p>[The status of the certification process by the Secretary of Administration proposed by 3 VSA 348 (2017) is unknown.]</p>	<p>Consumer Standards Certifications. The policy of the VCBB, to meet the public interest in consumer protection and service standards, is to require certification of each grantee annually that it meets the service conditions described in Subsection 348(b). The grantee receiving Community Broadband Funds, and any owner of assets paid for in part by such funds, shall certify to the Secretary of Administration, with copy to the VCBB or its designee, the terms and conditions of 3 VSA 348(b) for a period of 20 years from the date of the grant award. [NOTE: this does not address maintenance/ customer response time, etc.]</p>
<p>(4) Support low-income or disadvantaged communities; <b>Change: This is both a design and operations requirement that survives the grant payout.</b></p>	<p>No activity supports this objective</p>	<p>Low Income Inclusivity. The policy of the VCBB is to implement Universal Service as required by the Act, including construction of broadband networks and provisioning of broadband service to all locations regardless of income or property value. No construction utilizing Community Broadband Funds shall avoid locations based on the actual or projected income of potential customers at such locations or to choose a design to overbuild existing service when an efficient design serving locations may be less profitable.  The submission of proof of avoiding locations that are reasonably determined to be low income to the VCBB (or on its own investigation) may be grounds for violation of a grant agreement or disregard for the public interest obligations that survive the duration of the Community Broadband Grant for a period of _ years from the date of the grant award.</p>

**Table of Proposed Accountability Policies - July 12, 2023**

<p>(5) Promote geographic diversity of fund allocations.</p> <p><b>Change: See above (Policy statement for how to deal with Subsection (b) – as proposed.)</b></p>	<p>This priority is addressed by the regional allocation of grant funds by CUD.</p>	<p>SEE policy proposed at 8086(b) : ...the policy of the VCBB is to reserve an allocation for each geographic area represented by the existing CUDs and to recognize and review grant applications in the context of those allocations as they are presented and designated by the VCBB as project ready and consistent with VCBB policy.</p>
<p>(6) Provide consumers with affordable service options</p> <p><b>Change: This is a policy that implements an operations priority and survives the grant payout.</b></p>	<p>This priority has not been addressed except by generalized certification in the application process.</p>	<p><u>Affordable Service Planning and Reporting.</u> It is the policy of the VCBB to require broadband service providers utilizing assets funded by the Community Broadband Fund to create an outreach and equity plan for the inclusion of low income households prior to the completion of funded construction, and to participate in and promote to all consumers any applicable subsidy programs available to reduce service costs to low income households served by the grantee. The grantee shall annually produce for the review of the VCBB an audited balance sheet and shall include (a) the rate tiers offered to consumers, (b) the total number of customers in each rate tier, (c) the number of customers for that reporting year receiving subsidies, and (d) the total amount of subsidies received for that reporting year. Within twelve months of generating revenue from broadband service utilizing assets funded by the Community Broadband Fund that exceed operating expenses by five percent, the participating service provider shall also include in its annual report a proposal for offering reduced rates to qualified customers. This obligation of the grant agreement shall survive the delivery of grant funds for a period of ___ years from the date of the grant award.</p>
<p>(7) Include public broadband assets that can be shared by</p>	<p>This priority is inherent in the growth and link budget standards stated in the OPD</p>	<p>No separate policy is required given the construction/engineering criteria. Consider, however,</p>

**Table of Proposed Accountability Policies - July 12, 2023**

<p>multiple service providers and that can support a variety of public purposes</p>		<p>whether an operations policy that implements interoperability and shared infrastructure is advised?</p>
<p><b>Implied Accountability Requirements to Protect the Public Interest</b>  <b>Legislative Findings and Intent</b></p>		
<p><b>Section 8081</b></p> <p>(1)... the Vermont Community Broadband Fund to support policies and programs designed to accelerate community efforts that advance the State’s goal of achieving universal access to reliable, high-quality, affordable, fixed broadband</p>	<p>The Construction RFP includes numerous accountability measures. These were incorporated into both the Maple and SoVT Grant Agreements at Attachment F; SoVT-Attachment G-1, respectively.</p> <p>(i) Named Act 71 Attestations requirement from Construction RFP, Section</p>	<p>In order to tackle the enormity of the objectives of Act 71, and to ensure acceleration of community broadband efforts, the VCBB has adopted the following policies for purposes of Construction Grant awards:</p> <p>(a) <u>Prioritization of On-Grid Locations</u>. In support of accelerating community efforts that advance the State’s goal of achieving universal access through support of grantees offering a universal service plan pursuant to Subsection 8086(a) and prioritizing the use of existing private resource pursuant to 8086(b) the policy of the VCBB is to prioritize grant funding for broadband service to locations that are served by the electric grid.</p> <p>(b) <u>Prioritizing Fiber Plant</u>. While the definition of fixed broadband under the Act, as amended, includes retail service by wire or radio that delivers service at speeds of at least 100/100 gbps, it is the policy of the VCBB to prioritize the funding fiber networks that use existing infrastructure, including the use of utility poles and power in the public right of way, and provide the highest standard of reliability, resilience and interoperability to accelerate the delivery of broadband service. Radio fixed wireless is an acceptable means of delivering broadband service where it meets the VCBB’s standards for accountability for the public interest, including but not limited to reliability, resiliency, and interoperability.</p>

**Table of Proposed Accountability Policies - July 12, 2023**

		<p>VCBB Board will not accept self-certification by the applicant or grantee to establish accountability for the public interest obligations of construction and operation of assets paid for in whole or in part Community Broadband Fund.</p>
<p>(2) to establish the Vermont Community Broadband Board to coordinate, facilitate, support, and accelerate the development and implementation of universal community broadband solutions.</p>		<p>The Agency of Administration of the State of Vermont, in its opinion regarding the Creation of Broadband Programs Using Federal Funds, dated March 13, 2023, has determined that new programs funded through the federally funded BEAD grants are subject to the policies and procedures of the VCBB Board. The VCBB Board will apply its existing policies as possible and develop new policies as required. Subgrant programs under BEAD or DEI federally funded programs will be subject to policy review by the VCBB Board.</p>

# Vermont's Draft Broadband Equity, Access, and Deployment Plan

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**DRAFT Five-Year Action Plan and Initial Proposal**  
**Volume 1**

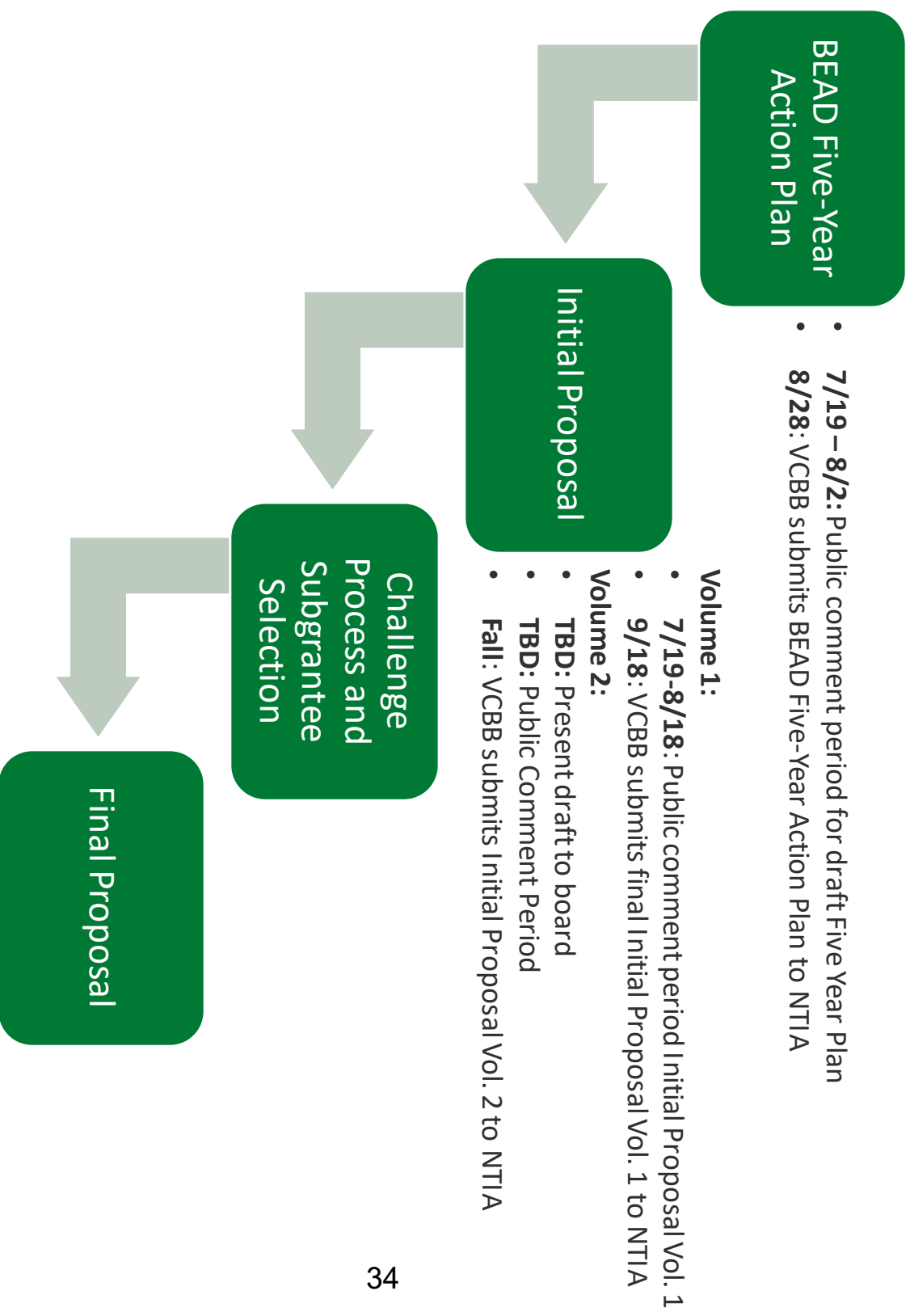




# Agenda

- Overview of Vermont's Internet for All Plans
- Summary of the BEAD Five-Year Action Plan
- Summary of the BEAD Initial Proposal Volume 1
- Discussion
- Next steps

# BEAD Parts and Process



## BEAD Five Year Action Plan

## BEAD Initial Proposal Volume 1

## BEAD Initial Proposal Volume 2 (forthcoming)

### What's included (summary)

- Vision, goals, objectives
- Current state of broadband and digital inclusion
- Challenges to overcome for successful implementation of the plan
- Summary of stakeholder engagement activities
- Implementation Plan
- Initial identification of unserved and underserved locations
- Definition of community anchor institutions classification applied
- Proposed pre-challenge process location modifications (e.g., the proposed deduplication process)
- Proposed challenge process
- Long-term objectives
- Stakeholder engagement process
- Detailed plan for use of BEAD funds, including competitive subgrantee process, workforce development, and climate risk assessment.
- Intended use of the 20% of total funding allocation that is made available upon NTIA's approval of the Initial Proposal

# Important Notes for Context

- These drafts continue to evolve. There is feedback we have received from NTIA that we are continuing to address; it will evolve further during the public comment period.
- These drafts will be updated with the most recent FCC and survey data prior to their release for public comment.
- The subgrantee selection process is established in Initial Proposal Volume II. It is not included in these documents.
- The Digital Equity Plan will go into much greater detail on proposed solutions to address affordability and accessibility barriers to Internet adoption and use.

# Draft BEAD Five-Year Action Plan

Draft for Board Feedback

# Vision

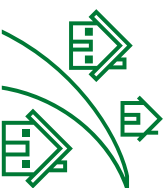
**Every Vermonter in an unserved or underserved area gains access to broadband at speeds of at least 100/100 Mbps, and that Vermonters understand the value Internet connectivity can offer and have the devices and skills they need to meaningfully take advantage of it.**

Vermont is working toward this vision through coordinating, facilitating, supporting, and accelerating community broadband solutions.

# Goals



Mobilize resources for end-to-end fiber broadband infrastructure deployments to all underserved and locations and community anchor institutions



Ensure sustainable, community-driven solutions across the entire State.



Ensure high-speed broadband services and devices are affordable and advance digital equity for all Vermonters



Enhance workforce development for broadband and the digital economy



Improve socio-economic conditions across Vermont

# Current State

## Access

- Approximately 20% of households (70,034 out of 352,588 households) lack access to 100/20 Mbps or better broadband connectivity

## Deployment

- Greatest concentration of unserved and underserved communities are in southern and northeastern Vermont
- Anticipated labor shortages in several positions that will be critical to successfully deploy BEAD funds

## Adoption

- 73% of Vermont households have a fixed broadband Internet subscription
- Lower rates of subscription among certain demographics (e.g., 60+ years old)

## Affordability

- 17% of eligible Vermont households have enrolled in the ACP
- 23,260 Vermont households have access to the Internet but cannot afford it

## Digital Equity

- Less than 10% of the VCBP's public survey respondents identified affordability of devices and confidence in digital skills as a barrier
- 18.8% of Vermonters lack access to a computer at home.



- **Goal: Mobilize resources for end-to-end fiber broadband infrastructure deployments to all unserved and underserved locations and CAls in Vermont.**

- Indicators of success by December 31, 2028
  - 100/100 Mbps broadband or better available in 100 percent of currently unserved and underserved on-grid locations.
  - 100/20 Mbps broadband or better available in 100 percent of currently unserved and underserved off-grid locations.
  - One Gbps symmetrical broadband is available to 100 percent of CAls.

# Indicators of Success

- **Goal: Ensure sustainable, community-driven solutions across the entire State.**

- Indicators of success by December 31, 2028
  - 100 percent of BEAD subgrantees have documented meaningful community support or partnerships.

- **Goal: Enhance workforce development for broadband and the digital economy**

- Indicators of Success by December 31, 2028
  - 100 new jobs in broadband created in Vermont.
  - 80% of new jobs in broadband filled by Vermont residents.

- **Goal: Ensure high-speed broadband services and devices are affordable and advance digital equity for all Vermonters**

# Indicators of Success for Goals

- Indicators of success by December 31, 2028
  - 80 percent of households subscribe to fixed broadband.
  - 60 percent of eligible households signed up for a broadband service subsidy (e.g., ACP).
  - 95 percent of households own a laptop, tablet, or personal computer.
  - 80 percent of population surveyed reports confidence in their digital literacy.
  - 80 percent of ACP eligible households own a laptop, tablet, or personal computer.
  - All Vermonters can choose from multiple service plan options and price points.
- Indicators of success by December 31, 2030
  - 90 percent of households subscribe to fixed broadband.
  - 70 percent of eligible households signed up for a broadband service subsidy (e.g., ACP).

- **Goal: Improve socio-economic conditions across Vermont**
  - Since this is a long-term goal there are no 5-year indicators/metrics to assess, but VCBB will monitor indicators in multiple sectors to gauge indirect impact of broadband expansion on socio-economic conditions. These include:
    - Economic:
      - Unemployment rate.
      - Number of remote workers.
      - Household income level.
      - Population change (gain/loss).
    - Health:
      - Utilization rates of telehealth services.
      - Life expectancy.
    - Education:
      - High school graduation rates.
      - Student performance on standardized test scores.

## Indicators of Success for Goals

# Existing Funding

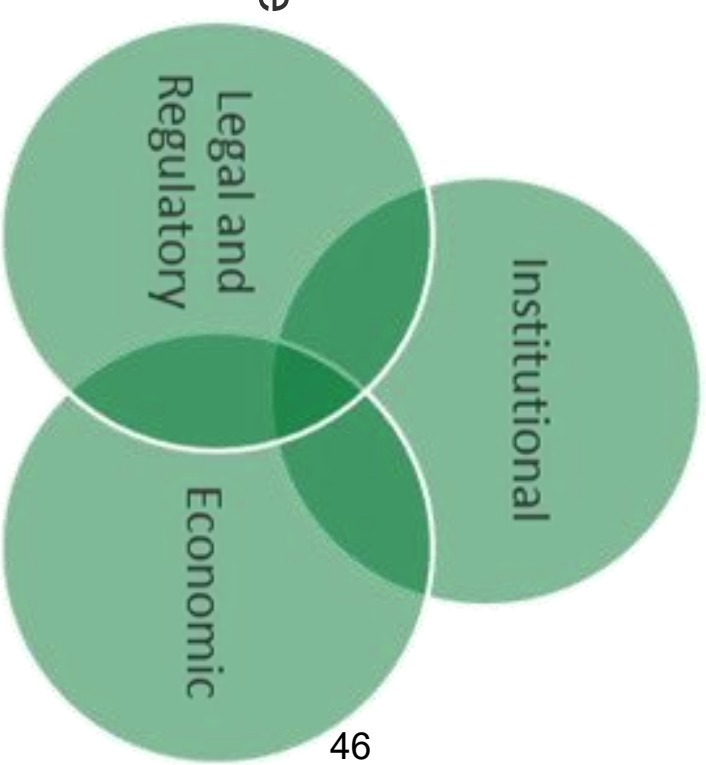
Broadband Related Category	Total	Committed/ Expended	Available	Remaining % of Available
Approved Deployment and Non-Deployment Activities	\$559,185,933	\$165,088,621	\$394,097,312	86.7%
Affordability Programs	\$41,770,080	\$7,575,840	\$34,194,240	7.6%
Planning, Administrative, or Overhead	\$18,000,000	\$0	\$18,000,000	4.0%
Public Connectivity	\$10,792,000	\$2,721,919	\$8,070,081	1.8%
<b>Grand Total</b>	<b>\$629,748,013</b>	<b>\$175,386,380</b>	<b>\$454,361,633</b>	<b>100%</b>

**Inclusive of Vermont's \$228.9M BEAD allocation, the State has approximately \$394.1M in existing funding which is available for extending high-speed broadband infrastructure to unserved and underserved locations and CAls.**

- # Stakeholder Engagement Summary (as of July 10, 2023)
- 6 VCBB-organized in-person events (80 attendees total)
  - 2 virtual events (65 attendees total)
  - 4 community events attended
  - 44 RFI responses
  - 150+ pieces of email feedback received
  - 1,975 survey responses received
  - 60+ individual meetings held with stakeholder organizations including all CUDs and major ISPs, other relevant departments and agencies, and interested community-based organizations

# Issues to Overcome for Successful Implementation

- While all reconcilable, Vermont faces three main categories of issues in implementing its BEAD plan:
  - Institutional: Serving historically marginalized and difficult-to-reach populations, ensuring CUDs have capacity to deploy networks and can provide affordable service in a commercially-sustainable way
  - Legal: Balancing compliance with federal statutory requirements to conduct an open and competitive subgrantee selection process while staying true to the municipal CUD structures and community-driven vision of Act 71
  - Economic: Supply chain challenges and labor shortages, tracking and maximizing all available sources of broadband funding, limited funding coupled with Vermont's challenging terrain and low population density



# Estimated Timeline

Timing is dependent on approvals from NTIA

**August 28, 2023:** BEAD Five-Year Action Plan submitted to NTIA

- Vision, goals, objectives
- Strategy

**Dec. 2023 – March 2024**  
(Pending approval from NTIA):

- Process approved
- modifications and de-duplication of funding
- Conduct challenge process

**September 2024:** NTIA approval of Final Proposal and award subgrants

**Fall 2023:** BEAD Initial Proposal submitted to NTIA.

- Eligible locations
- Challenge process
- Extremely High Cost Per Location Threshold
- Subgrantee and project eligibility requirements
- Scoring criteria

**March – August 2024:** Conduct subgrantee selection process and submit Final Proposal to NTIA.

**2024 – 2028:** Ongoing monitoring, reporting, and performance management

**Dec. 31, 2028:** Affordable high-speed broadband available to all Vermonters

**The estimated cost of extending fiber to Vermont's 49,773 unserved and underserved locations (excluding RDOF funded locations) is \$500-700M.**

**BEAD, ARPA, subgrantee matches, and other funding sources will cover this cost.**

Three important variables for ensuring that sufficient funds are available:

- The cost of extending end-to-end fiber connectivity to each unserved and underserved location in the State;
- The amount of matching funds that will be offered by prospective BEAD subgrantees (i.e., how much subgrantees will offer above the statutory minimum of 25% and if the State of Vermont can contribute any additional resources); and
- The amount of funds that the State will set aside to cover any cost overruns (i.e., to account for inflation, supply chain challenges, labor shortages, etc.) or encourage subgrantees to include in their proposed budgets.

**This approach prioritizes quality, scalability, and reliability.**

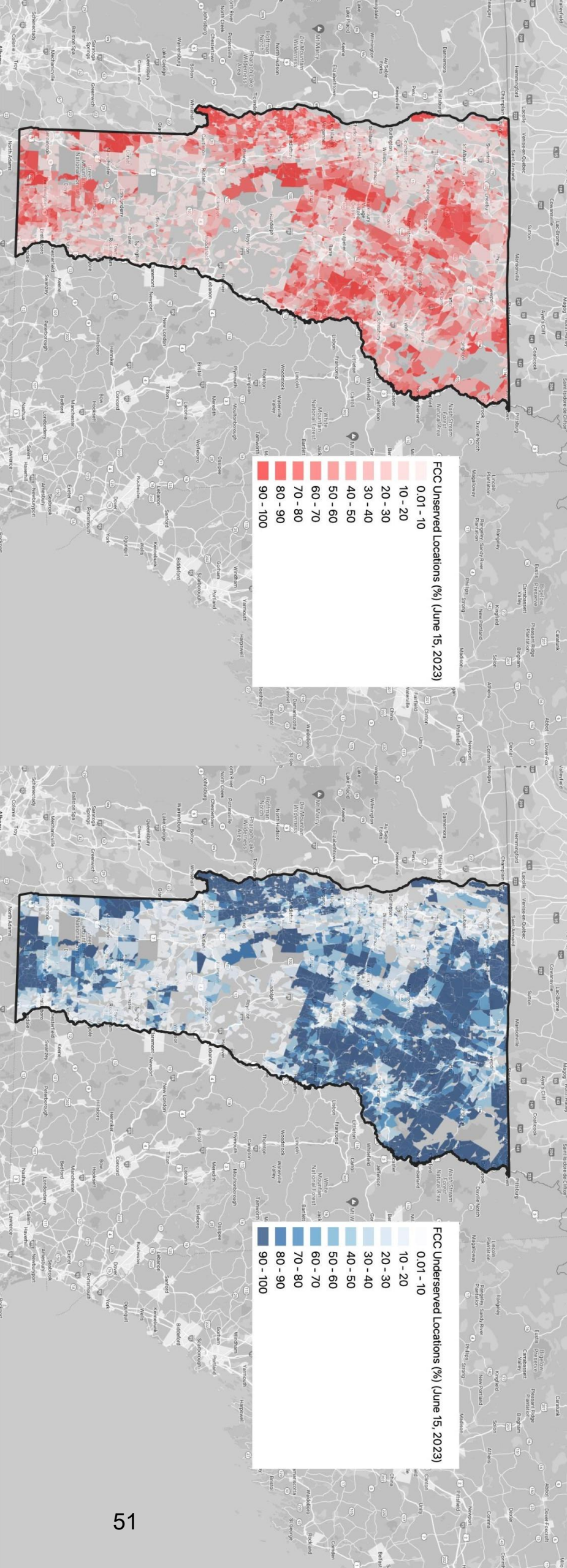
## Estimated Cost



# Draft Initial Proposal Volume 1

# What's in Volume 1

- Initial identification of unserved and underserved locations
- Definition of community anchor institutions classification applied
- Proposed pre-challenge process location modifications (e.g., the proposed deduplication process)
- Proposed challenge process



# FCC Maps of Unserved and Underserved Locations (as of June 15, 2023)

July 19, 2023 | 20

# Community Anchor Institutions

## Vermont's List of Community Anchor Institution Types:

- K-12 schools
- Higher education institutions (such as University of Vermont, and Community College of Vermont)
- Workforce development organizations (such as VT Department of Labor locations, Working Fields, and Pathways VT)
- Adult education agencies (such as VT Adult Education, and Central Vermont Adult Basic Education)
- Libraries
- Health clinics, health centers, hospitals, and other medical providers
- Public safety entities (such as police departments, fire departments, and EMS headquarters, Red Cross emergency shelter locations)
- Public housing (such as housing and urban development-assisted housing)
- Neighborhood organizations and community centers, including community centers and neighborhood gathering spaces located on Tribal lands
- Houses of worship (such as churches, synagogues, mosques, and temples)***
- Local and/or state government buildings (such as town halls, city halls, town clerk offices, and courthouses)
- Housing shelters (such as COTS)
- Social service agencies (such as Age Well)
- Correctional facilities and juvenile detention centers***
- Public outdoor spaces (such as community gardens and Park and Rides)***
- Public access television station facilities***

## Prior to Challenge Process: VCBB Challenges FCC Data on Unserved and Underserved Locations

This effort yielded corrections and improvements to the data, adjusting the State's allocation of BEAD funding.

### Phase 1: Publication of Eligible Locations

Prior to beginning the Challenge Phase, the broadband office will publish the set of locations eligible for BEAD funding, which consists of the locations resulting from the activities outlined in Modifications to Location Classifications and Deduplication of Funding.

### Phase 2: Challenge

A representative of one of the permissible challengers submits a challenge to VCBB, using an online portal maintained by VCBB. Challengers will have 30 calendar days to submit a challenge from the time the initial list of unserved and underserved locations, CALs, and existing enforcement commitments are posted.

### Phase 3: Rebuttal

The challenged service provider may rebut the reclassification of a location or area with evidence, causing the location(s) to enter a "disputed" state. If a challenge is not rebutted, it is substantiated. If a provider agrees with the challenge, it moves to the "sustained" state.

### Phase 4: Final Determination

If the challenge for a location is in the "disputed" state, VCBB will make the final determination of the classification of the location, either declaring the challenge "sustained" or "rejected".

# Challenge Process

**Thank you. We look forward to your feedback.**



# MAPLE

BROADBAND

# District Update June 2023

- Completed 25.7 miles/304 passings
  - Service launched in February 2023
  - 60 customers installed to date
  - Take rate 19.7% after 4 months (vs projection 19.4% after 12 months)
  - Actual ARPU within \$1 of 2022 projections
- 129.9 miles in progress in Cornwall, Shoreham, Orwell, Whiting, Salisbury, Leicester
- Phase 1 total of 155.6 miles will be active by Q1 2024



# Impact of Competition

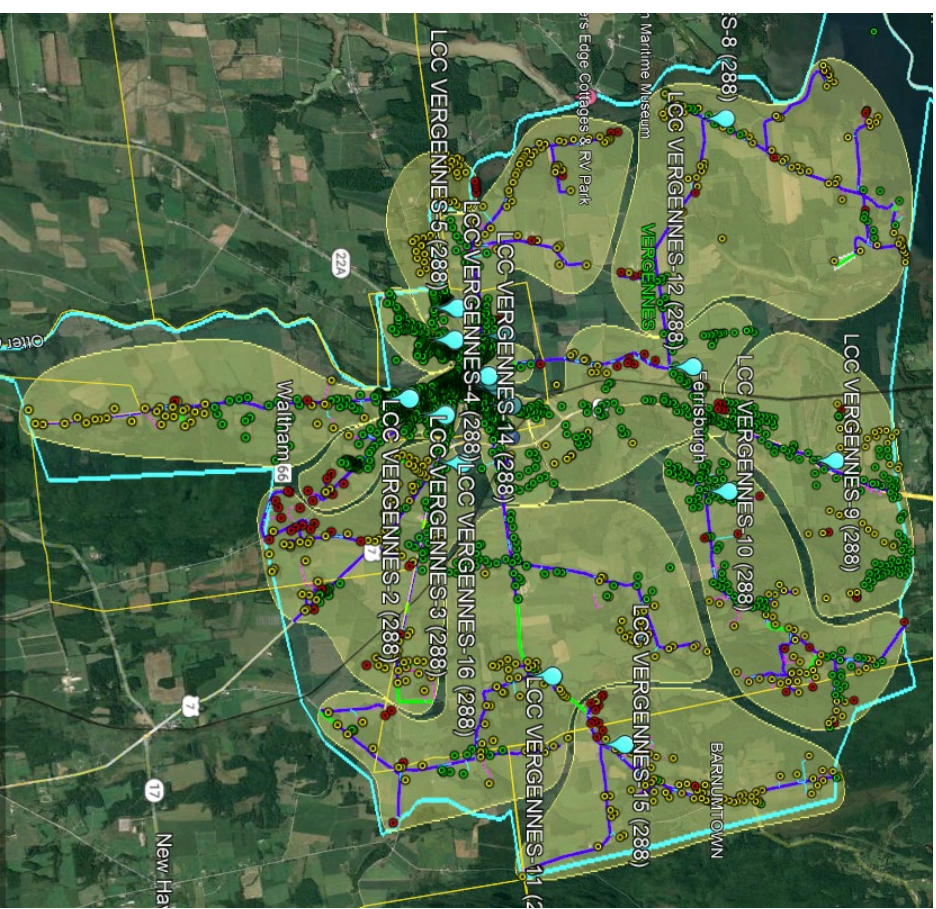
- GoNetspeed has extended service to portions of Cornwall and Shoreham
- Fidium (Consolidated) is in the final stages of service activation in Middlebury and Ripton
- **The majority of planned Maple Broadband Phase 3 will be served in the near future by Fidium**

# Impacts to Business Plan

- Size of planned network reduced to avoid overbuild of new fiber
- Smaller footprint
  - 374 miles (reduced from 595)
  - Remaining footprint lower cost (more aerial, less complex make-ready)
  - Mainline capex requirement reduced by \$10M
  - Cost per mile lower as a result
- Projections updated with actual costs
  - Actual construction costs +/- 10-15% lower than expected
- Net results
  - Plan to complete remaining 218.6 mainline miles with Act 71 construction funds by mid-2024
  - Remainder of build to be completed with BEAD in 2025
  - Staff levels will be reduced in 2026
  - Strong, viable business

# Planned Phase 2

- Underserved areas of Ferrisburgh, Waltham, Monkton, and New Haven
- 88.7 miles
- 612 unserved/underserved passings



# Grant Request

- \$2,157,386 (remainder of Act 71 allocation)
- Increase miles from 180.6 to 244.3
- Increase addresses passed from 1,188 to 2,748
- Add service in portions of Vergennes, Ferrisburgh, New Haven, Monkton, and Waltham

# Updated Budget

Sums in 1000's	Current Grant	Proposed Amendment
Capex (make-ready, mainline, hubs & electronics, drops, quality assurance/OPR)	\$8,535	\$9,911
Maintenance capex	\$62	\$133
Construction-related operating expenses (pole rentals, network insurance, etc)	\$89	\$95
Phase 3 materials	\$0	\$577
Contingency	\$0	\$490
<b>Total</b>	<b>\$8,686</b>	<b>\$11,206</b>

# Thank you



# Vermont Community Broadband Board Meeting

## Tuesday, July 28<sup>th</sup>, 2023, 08:00am – 12:00pm

### Minutes

#### I. Meeting Call to Order, Roll Call, & Approval of Agenda

Patty Richards called the meeting to order at 08:05 and completed roll call.

- Patty Richards, Chair (Remote)
- Laura Sibilia (Remote)
- Brian Otley (Remote)
- Holly Groschner (Remote)
- Dan Nelson (Remote)
- Christine Hallquist - Staff (Remote)
- Robert Fish – Staff (Remote)
- Alissa Matthews – Staff (Remote)
- Toni Clithero – Staff (Remote)
- Britaney Watson – Staff (Remote)
- Heryn Herzog – Staff (Remote)
- Lucy Rogers – Staff (Remote)
- Kristin Brynga – Staff (Remote)
- Chance Payette – Staff (Remote)

Patty Richards made a motion to approve the agenda with a suggested change of removing the Parking Lot and ending the meeting with Executive Session and to add VCUDA updates as a standing item. Seconded by Laura. No further discussion. Unanimously approved.

#### II. Accountability Policy

Holly commented on the Public Comment Matrix that was provided by Toni and thanked the respondents for their participation and comments to the Accountability Policy. Holly also noted that NTIA has filed a Request for Comments on the applicability of the federal Uniform Guidance to the BEAD Program.

#### III. Public Comment

##### B. VCUDA

*Rob Vietzke and Eliie de Villiers presented the VCUDA comments utilizing a PowerPoint presentation (listed as attachment 1). VCUDA started by mentioning that their comments were not yet a consensus and did not represent every one of their members as seen by other comment submittals. They emphasized the role of CUDs in achieving accountability under Acts 71 and 79 and stressed the importance of the aggressive timelines in BEAD, noting there is an opportunity to help develop policy for BEAD as well.*

##### C. Consolidated Communications

*Sarah Davis, spoke to what their entity has done in the last 16 months and spoke in support of what the CUDs have accomplished with respect to Accountability. CCI's major concern is the lien proposal.*

##### D. Waitsfield and Champlain Valley Telecom

Roger Nishi spoke for WCVT and agreed that accountability is important but questions whether the VCBB adding more accountability standards that may affect the cost of services provided and stressed the concern that liens might have on the ability to obtain financing.

#### **E. Southern Vermont CUD**

Eric Patch spoke for Southern Vermont CUD. Southern Vermont CUD agrees with the need for accountability but expressed concern that the Board was regulating rather than focusing on delivering broadband.

#### **F. ECFiber**

F.X. Flinn spoke for EC Fiber. The Board should consider whether these are policies or guidelines. The State has set a goal for VCBB regarding broadband, ARPA (pretty flexible), BEAD (a line extension program) and Municipal revenue bonds. Would encourage the VCBB to help support CUDs and help them become a sustainable business that can secure funding through the Municipal bond market.

#### **G. NEK Broadband**

Christa Shute spoke for NEK Broadband. NEK endorses the Accountability Policy with some modifications. She spoke in support of the lien proposal, noting that stacked financing is reasonable. NEK thinks that it would be useful if adjoining towns could discuss having a single entity providing service. She also spoke in favor of enforceability provisions in the grant agreements.

#### **H. Otter Creek**

Laura Black spoke for Otter Creek CUD. Accountability is Important and we want to be sure that the VCBB would continue to move forward with the Grant process. Our constituents are really excited to get fiber versus the copper network they are currently using. The VCBB clarified that Grant issuance has not paused and requested that Otter Creek proceed with its application.

#### **I. Lamoille Fibernet CUD**

Lisa Birmingham spoke for Lamoille Fibernet. Lamoille i will be submitting their application next week, expressing the belief that long term accountability is the responsibility of the CUDs.

J. **Staff Comments:** Christine Hallquist commended the Boards handling of the Accountability Policy and its decision not to delay applications during development of the policy. Also spoke in favor of the approach of "Controls" versus "Control".

#### **Other Comments:**

Jonathan Cooper: Employed by the Bennington County Regional Commission. Staff for Southern Vermont CUD. Spoke about the accountability by the CUD during the feasibility study and their selection of their private-public sector partner.

Jane Campbell: Lamoille Fibernet. The reason we have a CUD is that they understand what they need locally; said it was important that the VCBB doesn't tie the hands of the CUDs.

Paul Fixx: NEK Broadband Chair. Would like to reiterate Christa Shute's comments about the future of our fiber environment. As policy/guidelines are developed, NEK would like them to be flexible to accommodate what future entities may need.



With the close of the Public Comment period, the Chair proposed the formation of a working group and subworking groups with a couple board members, VCBB staff, VCUDA and a couple members from CUDs to review the draft policy. She will provide the list of members during the August 14<sup>th</sup> meeting.

The Board requested that General Counsel determine whether the statute supports, or does not, the VCBB setting policy based on several comments made regarding the Accountability Policy and that she distributes the Comments Matrix to the public.

***VCUDA Update.***

- IV.** *Rob Vietzke stated they would stay with their public comments and hold their update for the next meeting.*

**V. Confirm Next Regular Meeting 8/14 & Motion to Adjourn**

Discussion about availability to attend the next Board meeting, all agreed the 8/14 meeting will work from noon to 4:00 pm Patty made the motion to adjourn and enter Executive Session. The motion was approved. And at 11:00 a.m. the meeting adjourned.

**VI. Executive Session**

Press inquiries; please contact Herry Herzog, [herry.herzog@vermont.gov](mailto:herry.herzog@vermont.gov) (802) 522-3396.

# VCUDA

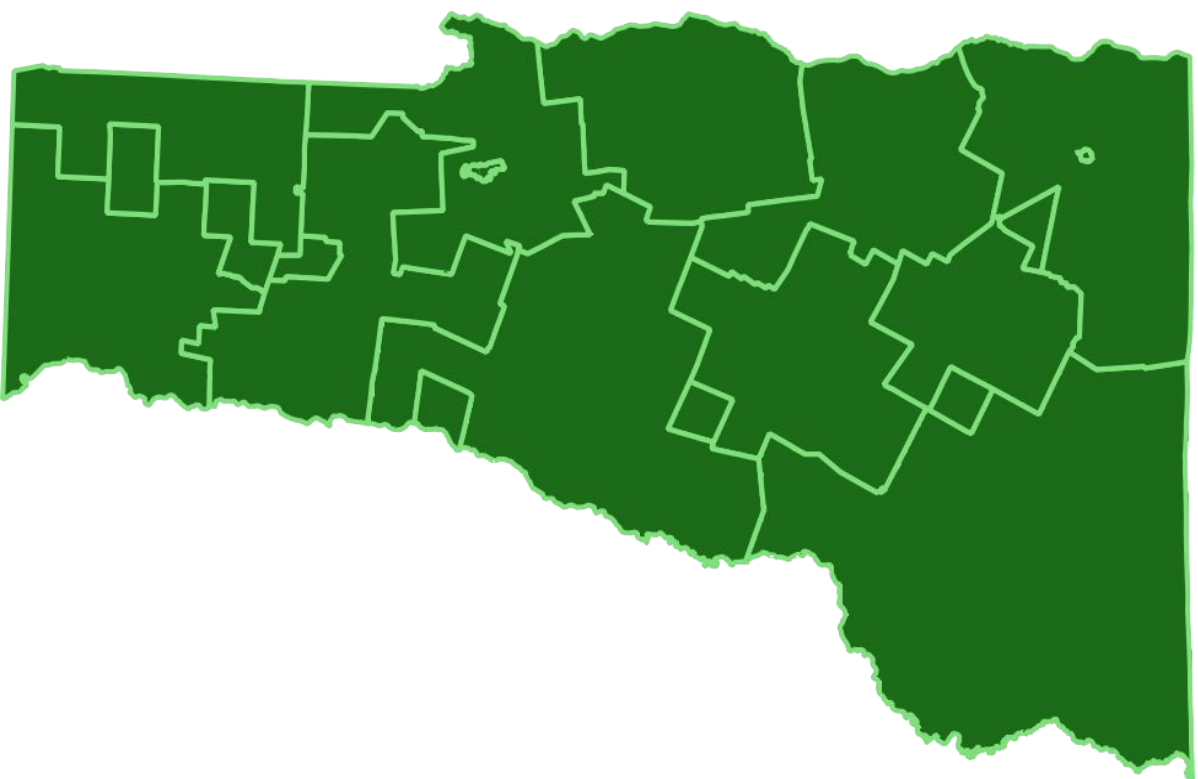
*The Vermont Communications Union Districts Association serves to unite the interests of Vermont's growing municipal internet networks, devising ways to share resources and voicing CUD consensus on critical policy issues.*

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Vermont Community Broadband Board  
July 28, 2023

Rob Vietzke, Program Coordinator  
[Rob@vcuda.org](mailto:Rob@vcuda.org)

Ellie de Villiers, Chair  
[chair@vcuda.org](mailto:chair@vcuda.org)



# VCUDA Comments on Draft Policy:

- Continued strong support for “accountability” across CUDs
  - As municipal governments charged with accountability to VermonTERS, CUDs are committed to the mission of serving and protecting their community’s immediate and long term interests
- Across CUDs different strong objections and strong support on specific items in the initial draft. (reflected in letters sent to VCBB)
  - These comments include substance, structure, process, authority, and enforceability
- Clear that more conversation, listening, and thoughtful analysis will be required to guide implementation of objectives

## VCUDA Comments on Process:

- We are at our best when we bring our best minds together and take the time to work through complicated items like this together.
  - Lean in to the “community” focus of our broadband effort.
  - In this case interested Board, Staff, and CUD representatives.
- Would like to see the Board be clear on what outcomes it desires
  - Include enforcement process and authority in analysis.
  - Work with CUDs on how best to implement those outcomes.

# VCUDA Comments:

- Imprecise Language - Can be interpreted in multiple ways and implies significant policy and regulatory changes to some readers.
- Role of the CUD in assuring Public Accountability - Act 71 and 79 gave specific roles and authorities to the CUDs and VCBB. We believe the policy can do a better job recognizing the multilayer structure.
- Ensure specific outcomes rather than the rules to achieve them.  
“Controls” -vs- “Control”
- New “Implied accountability” ideas are not timely.

# BEAD is a Strategic Priority:

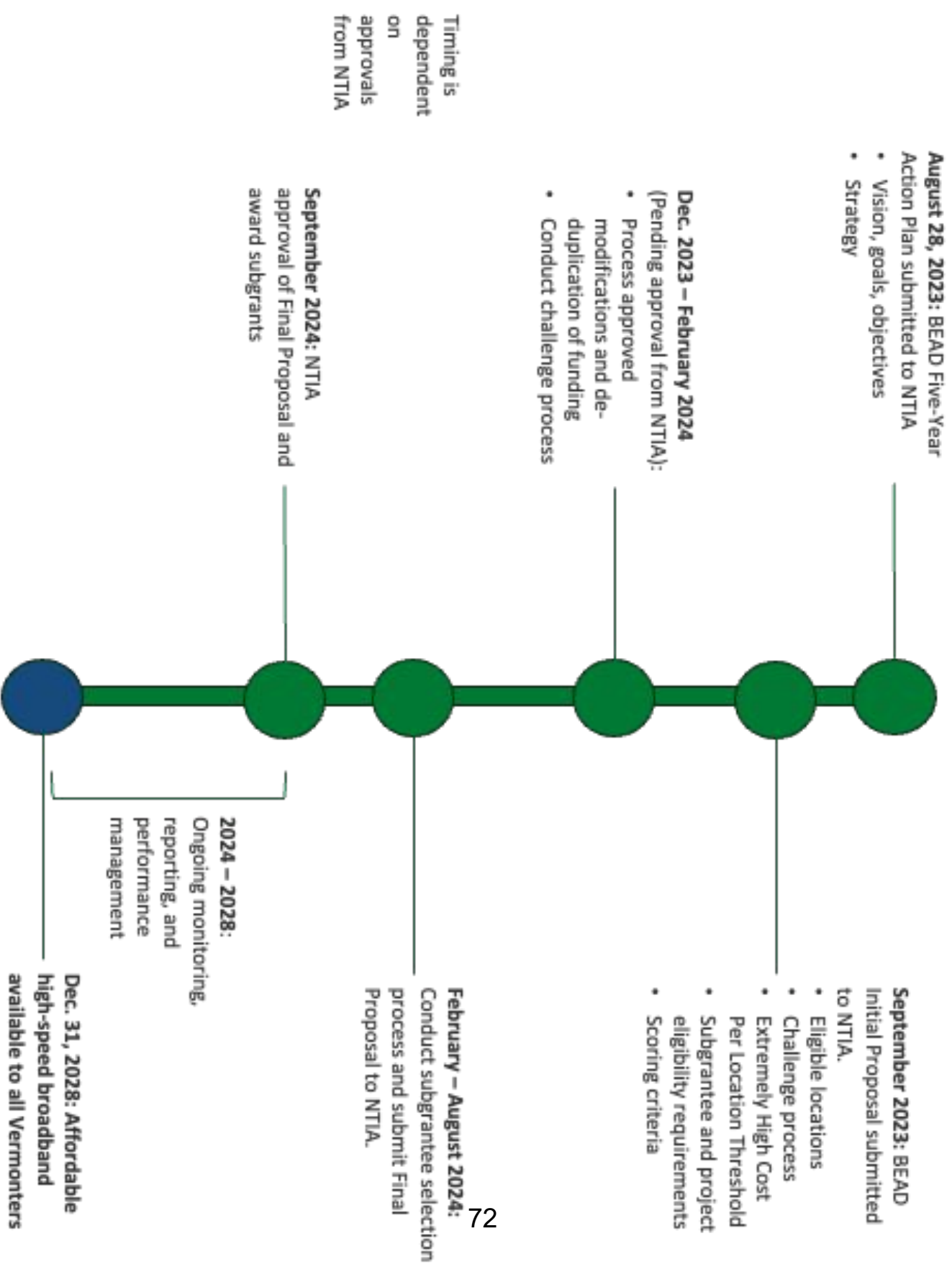
- Broadband Equity, Access and Deployment (BEAD)
  - VCB is recipient; providers selected competitively by VCB are sub awardees
  - BEAD submissions to the NTIA are policy; Volume I and Volume II are the “Act 71 of BEAD”
  - Expected high level of scrutiny from Congress on the NTIA
    - State plans are expected to receive a high level of scrutiny for compliance as a result.
    - Four+ tiers: Congress->NTIA->VCB-> CUD Applicant or commercial ISP (-> CUD Applicant's ISP)
- Vermont’s 5-Year Action Plan & Volume I August 28th Deadline
  - (re) Establishes the State’s Broadband Goals
  - Sets timeline for VCB’s new broadband program
  - (re) Sets the total cost for Universal Service and funding plan
  - Describes policies and adjudication by VCB of address challenge process

# BEAD is a Strategic Priority (2):

- BEAD Volume II
  - Defines the competitive process VCBB will use to define, solicit and score, select and defend award of its \$229M allocation from all eligible applicants
  - Describes the strategy, policies, accountability, and related items for the State’s implementation of the program.
  - Dozens of strategic decisions in forming the program that will define the process for the next 5 years of execution by VCBB (under federal scrutiny).
- Board Briefings
  - Recommend that the BEAD timeline includes explicit board briefings on key elements of the proposed policy
  - ... Board may wish to propose a policy describing how Board and Staff will work to co-develop the BEAD submissions, particularly Volume II

# BEAD (3):

- Vermont's next 5 years of Broadband programs will begin to solidify when it is submitted to NTIA on August 28th.
- The plan is complete when Volume II is submitted this fall. (and then approved)





## BEAD (4) - VCBB in its role supporting CUDs:

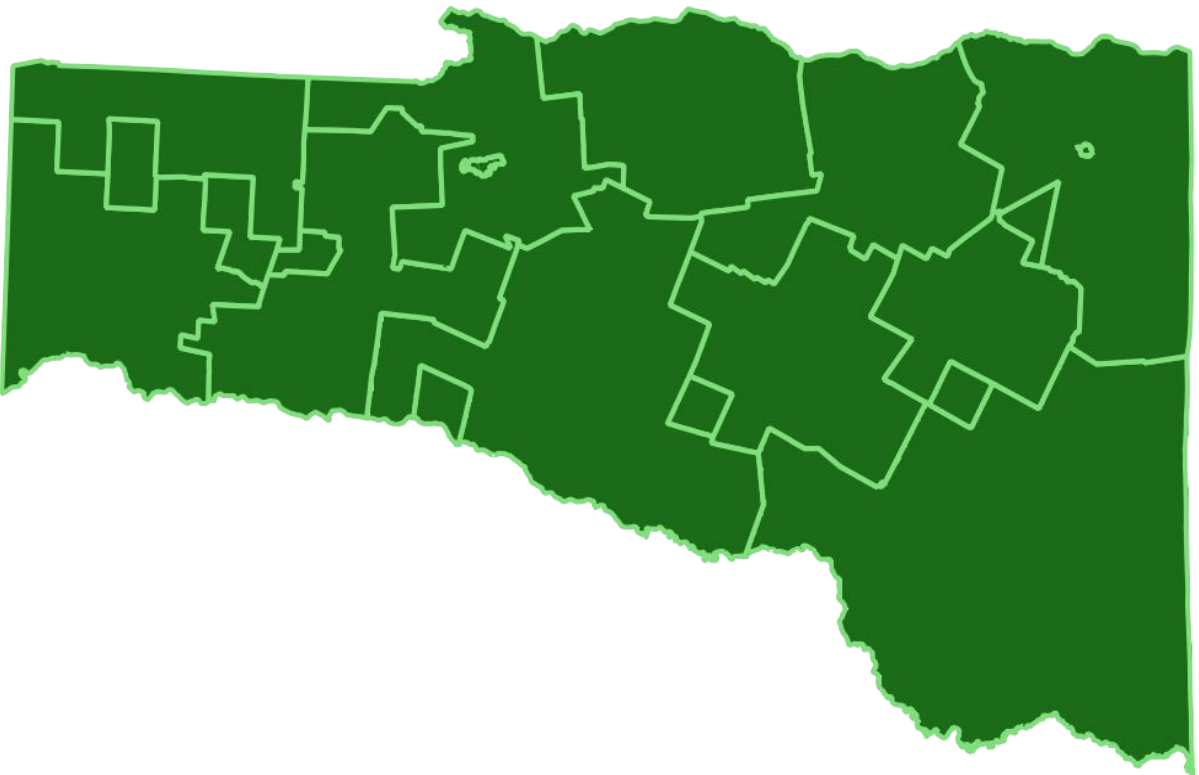
- CUDs remain State instrumentalities even as they compete for BEAD awards
- CUDs will need support for solutions for key applicant criteria
  - 25%+ matching funds
  - 25% Letter of Credit
- The VCBB in its supporting role for CUDs can play a key role in developing solutions for these significant new requirements.
- These solutions need to be crafted by the time VCBB opens its subgrantee competition.

# VCUDA's recommendation to VCBB:

- Convene working group of the Board, Staff, and CUDs to begin to review the accountability draft as a single team.
  - Board, of course, will have to adopt the policy and set high standards, but it can be informed in working group of expert and diverse opinions
  - Set a target for end of year adoption after BEAD volume II is submitted.
- Seek a deeper conversation across stakeholders about the BEAD program, its implications and plans for execution.
  - Assure that BEAD complements *and does not undermine* Act 71 purposes.
  - Also invite diverse opinions and allows strategic consideration by the Board.
- This parallelization and timing also allows the CUDs to continue VCBB build outs, while providing thoughtful team participation in policy and BEAD development

# VCUDA

# Thank you!



Rob Vietzke, Program Coordinator

[Rob@vcuda.org](mailto:Rob@vcuda.org)

Ellie de Villiers, Chair

[chair@vcuda.org](mailto:chair@vcuda.org)

# Vermont Communications Union Districts

Developed under the direction of hundreds of community volunteers.



**NORTHWEST  
FIBERWORK**



**Lamoille FiberNet**  
Communications Union District

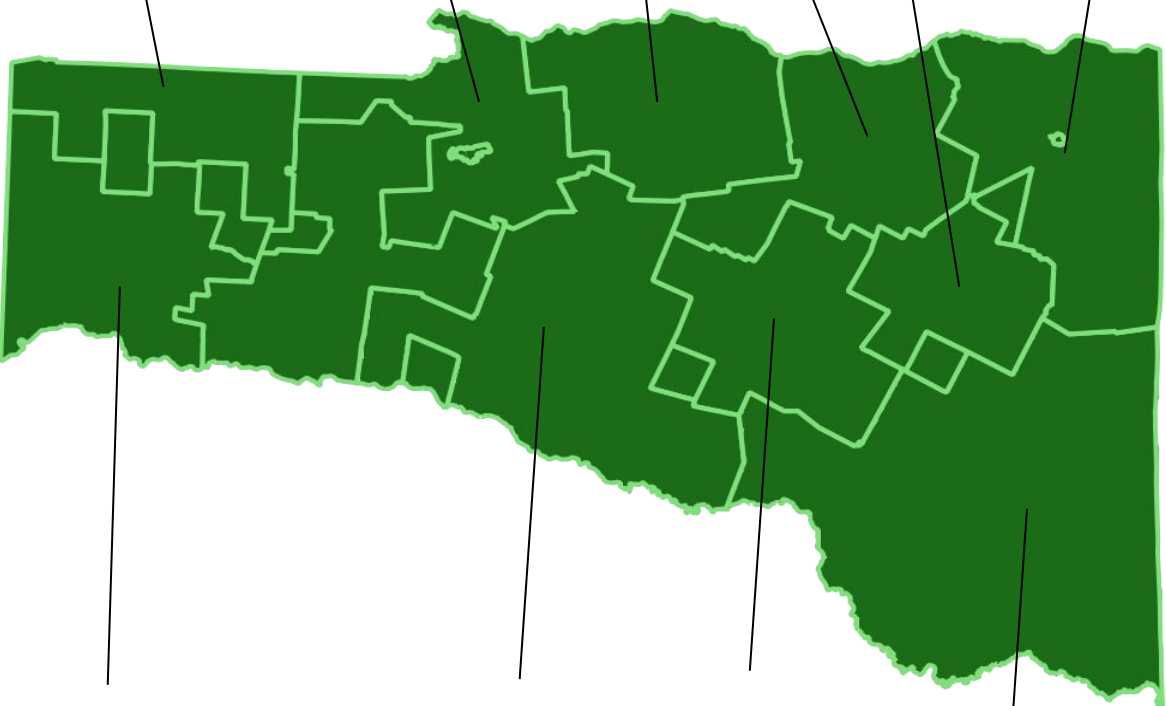


**MAPLE**  
BROADBAND



**Otter Creek**  
communications  
union district

Chittenden  
County CUD



**NEK**  
BROADBAND

**CVFIBER**

**ECFiber**

SOVT CUD

**DVFiber**

empowering our connection to the future





State of Vermont  
OFFICE OF THE GOVERNOR

**Emergency Board Meeting Minutes  
July 31, 2023 – 1:00 p.m.**

Pursuant to notice, the Emergency Board met in the Governor's State House Office, 115 State Street, Montpelier, Vermont, on Monday, July 31, 2023, at 1:00 p.m.

Members present: Governor Philip B. Scott, Chair; Senator Jane Kitchel; Senator Ann Cummings; Representative Diane Lanpher (virtual); and Representative Emilie Kornheiser

The items on the agenda were as follows:

- ITEM 1. Allocation for Calendar Year 2023 Private Activity Bond (32 V.S.A. Sec. 992(b)), and Municipal Bond Bank Authority to Assign Private Activity Bond Volume Cap (32 V.S.A. Sec. 992)**  
Presentation by Scott Baker, Financial Reporting Director, Office of the State Treasurer

Senator Cummings made the following motion, seconded by Senator Kitchel:

**Moved:** a motion regarding the Governor's authority to reallocate the 2023 private activity bond volume cap as proposed in the Emergency Board's meeting materials for Item 1 (as detailed below):

"That pursuant to 32 V.S.A. Sec. 992(b), that the Emergency Board hereby delegates to the Governor the power and authority to assign or reallocate, after December 20 and on or before December 31, 2023, any unused portion of Vermont's calendar year 2023 private activity bond cap, including the Contingency, among and between the Vermont Housing Finance Agency (VHFA), the Vermont Student Assistance Corporation (VSAC), the Vermont Economic Development Authority (VEDA), and the Vermont Municipal Bond Bank (VMBB). Any calendar year 2023 private activity bond allocations to other eligible recipients will require future Emergency Board action."

The motion was passed unanimously.

**ITEM 2. Medicaid Report (32 V.S.A. Sec. 305a(c))**

Presentation by Nolan Langweil, Senior Fiscal Analyst, Joint Fiscal Office

Nolan Langweil provided the Medicaid Report for fiscal year 2023 pursuant to 32 V.S.A. Sec. 305a(c) as presented in Item 2 of the Emergency Board’s meeting materials.

No action was required.

**ITEM 3. Official State Revenue Estimate (32 V.S.A. Sec. 305a(a))**

Presentation of Revenue Report by Jeff Carr, State Economist for the Agency of Administration and Tom Kavet, State Economist for the Legislature

Representative Kornheiser made the following motion, seconded by Senator Cummings:

**Moved:** a motion that the State revenue estimates for FY 2024 and FY 2025 are adopted as proposed in Item 3 of the Emergency Board’s meeting materials (as detailed below):

“That the state revenue estimates pursuant to 32 V.S.A. Sec. 305a(a) for FY 2023 and FY 2024 are as follows:

	FY 2024 Estimate (Millions)	FY 2025 Estimate (Millions)
General Fund	\$2,102.1	\$1,103.3
Transportation Fund	\$304.5	\$322.1
Transportation Infrastructure Bond (TIB) Fund	\$18.8	\$18.7
Education Fund	\$736.2	\$749.5
Federal Funds*	\$3,139.3	---
*Federal revenue exclusive of all ARPA Funds		

The motion was passed unanimously.

**ITEM 4. Education Fund Outlook (32 V.S.A. Sec. 5402b(c))**

Presentation by Julia Richter, Fiscal Analyst, Joint Fiscal Office

Julia Richter provided the Education Fund Outlook pursuant to 32 V.S.A. Sec. 5402b(c) as presented in Item 4 of the Emergency Board’s meeting materials.

No action was required.

**ITEM 5(a). Business Emergency Gap Assistance Program**

Presentation by Lindsay Kurrle, Secretary of the Agency of Commerce and Community Development (ACCD)

Senator Cummings made the following motion, seconded by Senator Kitchel:

**Moved:** a motion in consideration of the July 2023 flood disaster in Vermont and urgent needs of Vermont businesses, motion is made, pursuant to 32 V.S.A. Secs. 133(b) and 706(2), to transfer up to \$20 million of the \$30 million total appropriation to the Public Service Department (PSD) for the Vermont Community Broadband Board for federal match made in 2022 Acts and Resolves No. 185, Sec. B.1100(a)(28) which was added by 2023 Act 3, Section 45, to the Agency of Commerce and Community Development (ACCD) for the Business Emergency Gap Assistance Program (as described in the attached materials). This is in support of businesses affected by the July 2023 flood disaster, as declared in Executive Order No. 03-23. The Commissioner of Finance & Management shall present a proposal to replace the funds transferred from the PSD appropriation as part of the Governor's FY24 budget adjustment proposal. The Secretary of ACCD shall report on the amounts and use of funds distributed by the Business Emergency Gap Assistance Program at the September and November 2023 Joint Fiscal Committee meeting.

The motion was passed unanimously.

**ITEM 5(b). Emergency Financial Assistance Program for Flood-Impacted Vermonters**

Presentation by June Tierney, Commissioner of the Department of Public Service (PSD)

Senator Kitchel made the following motion, seconded by Representative Kornheiser:

**Moved:** a motion to transfer up to \$10 million to PSD for the Emergency Financial Assistance Program for Flood-Impacted Vermonters as proposed in Item 5(b) of the Emergency Board's meeting materials (as detailed below):

“In recognition of (1) the July 2023 flood disaster, as declared in Executive Order No. 03-23 regarding Vermont residents, (2) the need to provide financial assistance to Vermont households with replacement of flood-damaged or -destroyed appliances as described in the attached materials, and (3) the need to prioritize providing assistance to low-income applicants, a motion is made pursuant to 32 V.S.A. Secs. 133(b) and 706(2) to transfer up to \$10 million of the \$35 million that was appropriated in 2022 Acts and Resolves No. 185, Sec. G.600(a)(2), as amended by 2023 Acts and Resolves No. 3, Sec. 67 and 2023 Acts and Resolves No. 78, Sec. C.118, to the Public Service Department to make grants to Efficiency Vermont to fund flood relief measures that are consistent with 30 VSA § 2 (e). The Commissioner of Public Service shall report on the amounts and use of funds distributed for replacement of Vermonters' flood-damaged and destroyed appliances at the September and November 2023 Joint Fiscal Committee meetings.”

The motion was passed unanimously.

With no other business, Senator Kitchel made a motion to adjourn, seconded by Representative Kornheiser. The motion was passed unanimously.

The meeting was adjourned at 2:00 p.m.

A true record,

ATTEST:



A handwritten signature in black ink that reads "Brittney L. Wilson".

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Brittney L. Wilson  
Secretary of Civil and Military Affairs

/kp 08/03/23

Supporting materials can be found online at: <https://aoa.vermont.gov/revenue/emergency-board-minutes> and [Revenue Forecasts](#)

c: Board Members  
Auditor of Accounts  
State Treasurer



To: Alissa Matthews, *Special Projects and Implementation Manager*  
Vermont Community Broadband Board  
Lucy Rogers, *Rural Broadband Technical Assistance Specialist*

From: Teles Fremin, P.E., *Deputy Chief Technology Officer*

Re: Evaluation of construction grant application from Lamoille FiberNet

Date: August 4, 2023

At the request of the Board, this memo provides a review of the business plan and additional documentation provided by Lamoille FiberNet Communications Union District (LFCUD). Based on our review, LFCUD's construction grant application meets the specifications put forth in the Board's Application Requirements.

LFCUD is proposing a fiber-to-the-premises (FTTP) deployment in two phases consisting of 632 miles of fiber that would connect approximately 9,050 addresses—4,900<sup>1</sup> of which are unserved and underserved—within the 10 member towns.<sup>2</sup> The total estimated cost for both phases is \$30,731,695. The current grant application focuses on Phase 1, which consists of 549.7 miles of fiber that would connect 7,869 total addresses, including 4,170 eligible addresses. The total cost of Phase 1 is \$25,403,670, or \$6,092 per un/underserved passing.

LFCUD is partnering with Consolidated Communications, Inc. (CCI), which will allow LFCUD to reduce the total cost of the project by approximately 30 percent. CCI has agreed to contribute \$9,814,755 of the total project cost. Seven towns are also contributing local American Rescue Plan Act (ARPA) funds of \$275,800 as a match. The remaining \$15,313,115 is being funded by LFCUD through grant funds, \$1,724,479 of which will come from LFCUD preconstruction grant funds. LFCUD is requesting the remaining balance of \$13,588,636 from VCBB.

Under the partnership, CCI will build, operate, and maintain Phase 1 of the network. LFCUD will own all infrastructure funded by the grant, excluding core infrastructure, while CCI will own all

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<sup>1</sup> The total eligible addresses increased by 780 that were not included in VCBB's eligible address list based on supporting evidence documented in Address Reconciliation.pdf.

<sup>2</sup> Member towns are Belvidere, Cambridge, Eden, Hyde Park, Johnson, Morristown, Stowe, Waterville, Elmore, and Wolcott.

portions of the network built using CCI's own funding. LFCUD will continue to employ staffing including an executive director and a construction manager in addition to additional organization support such as accountants, legal support, and communications and marketing resources. The responsibilities of LFCUD staff and board include oversight of partnerships including communities and contractors (such as CCI) to ensure all requirements of the contract are being met. Additionally, LFCUD will be engaged in community outreach to promote adoption and digital equity initiatives. The term sheet also outlines performance measures that LFCUD has negotiated with CCI to mitigate risk.

LFCUD plans for construction to begin in early 2024 with completion of Phase 1 by the end of 2025.

LFCUD has not identified a funding source for Phase 2, which consists of 663 eligible addresses. CCI has agreed to build Phase 2 once funding has been secured, potentially including Broadband Equity, Access, & Deployment (BEAD) program funding. Additionally, LFCUD has reserved the right to partner with other providers to complete Phase 2 in the event that another partnership(s) would be more cost effective and reduce overbuild.

The attached checklist was used to evaluate the application, business plan, and network design.

## Attachment A: Application review checklist

# State of Vermont Act 71 Application Review Checklist

Applicant: Lamoille FiberNet

### Eligibility

*\*Act 71 Construction Program RFP "Eligible Provider"*

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is the applicant a Communications Union District?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant a small communications carrier?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant an Internet Service Provider working with a CUD?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant a Municipality?	

### Required Documents

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Business Plan Included?	LFCUD 2023 Business Plan
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Universal Service Plan Included?	LFCUD 2023 Universal Service Plan
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Maps / KMZ files included?	LFCUD Universal Service Plan
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Subcontract(s) if applicable	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transmittal letter	Lamoille FiberNet_Form Responses_07-31-2023
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Applicant Certification	VCBB__Applicant Attestation_updated LFCUD Birmingham 2023.07.31
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other necessary documents	

## Proposal Details

*\*Act 71 Construction Program RFP P14 “Step 2: Full Proposal (By invitation Only)”*

### 1. Transmittal Letter and Proposal Overview

Y	N	Question	Notes
<i>Does the transmittal letter and proposal overview contain the following information:</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Full contact information for the applicant and any collaborators?</i>	<i>Includes the CUD contact but not who the main contact at CCI will be.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Preferred Application Process</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Total Estimated Cost to Complete the Universal Service Plan</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>“Estimated Cost“ for the Universal Service Plan project to be completed in the next 24 months (or in a 24-month period)</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Community matched funds or other funds to be contributed to the project</i>	

### 2. Applicant Certification

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant certified in writing all conditions contained in the construction program RFP?</i>	<i>VCBB__Applicant Attestation_updated LFCUD Birmingham 2023.07.31</i>
<b>General Information</b>			
Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the applicant intend to use subcontractors?</i>	<i>LFCUD is partnering with CCI</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are the subcontractor terms included?</i>	<i>LFCUD CCI Term Sheet - Exhibit C Draft 07.31.2023</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Are there copies of the subcontract(s) included with the proposal?</i>	<i>LFCUD has not executed a contract with CCI</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is there an attached ACT 71 compliant business plan?</i>	<i>LFCUD 2023 Business Plan</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there supporting documents for the business plan?</i>	
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### 3. Universal Service Plan

#### 3.1 Proposed Universal Service Plan

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the application contain a proposed Universal Service Plan?</i>	<i>LFCUD 2023 Universal Service Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant detailed the area(s) in which they propose to provide universal service per the requirements in the RFP?</i>	<i>The phases are broken out in the attached KMZ labeled "LFCUD Universal Service Plan".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant provided a map showing the current coverage in the proposed USP and the total number of qualifying locations?</i>	<i>In the attached KMZ labeled "LFCUD Universal Service Plan" the applicant broke out the addresses into served and unserved locations.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant described who will own the resulting infrastructure?</i>	<i>Per the USP "Under our partnership structure, the CUD will own all infrastructure funded by the grant, excluding core infrastructure, while Consolidated will own all portions of the network built using Consolidated's own funding." Further details are provided.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are any of the planned service areas members of a CUD?</i>	<i>LFCUD's service area includes all of Lamoille County except a portion of Elmore and Wolcott served by Hardwick Electric, which will be served by NEK Broadband. LFCUD's USP also includes approximately 10 unserved addresses in Fletcher, which are fed from Cambridge pole lines. LFCUD has collaborated with neighboring CUDs to reconcile addresses and ensure coverage.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>If so, has the applicant provided a letter of support from the district and documentation explaining the relationship?</i>	

### 3.2 Universal Service Plan

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the USP provide 100/100 Mbps service to all qualified locations?	Service offerings range from 50 Mbps to 2 Gbps
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant serving all locations directly?	CCI will be serving all locations through the partnership
<input checked="" type="checkbox"/>	<input type="checkbox"/>	If yes, have they presented a phased approach for serving all locations?	2 Phases, with Phase 1 as the focus of the current grant application.
<input type="checkbox"/>	<input type="checkbox"/>	If not, have they explained how the qualified locations will be served broadband service?	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	If yes, is there an included timeline showing each phase?	Phase 1 is broken out in the document labeled "LFCUD CCI Timeline" and they state that Phase 2 still needs to be funded before the timeline is completed.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Have they provided an overview of obstacles?	LFCUD 2023 Business Plan
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Are there any commitment letters from other providers?	LFCUD Combined Letters of Support for Construction Grant 2023.07.31
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this a joint application?	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is there a timeline for achieving universal service?	Phase 1 is broken out in the document labeled "LFCUD CCI Timeline" and they state that Phase 2 still needs to be funded before the timeline is completed.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Are there any attached documents supporting the applicant's commitment to universal service?	"Address Reconciliation" details the work LFCUD did to better understand the addresses being served in their area.

### 3.3 Estimated Total Cost to Serve

Has the applicant provided the following information?			
Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Total cost estimate for serving all qualified locations encompassed by the USP	Phase 1 total cost \$25,403,670 Phase 2 total cost \$5,328,025

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>The number of such locations</i>	<i>9,050 total addresses, 4,900 eligible addresses</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A description of how the estimate was derived and factors that will influence the final cost</i>	<i>LFCUD 2023 Business Plan</i>

### 3.4 Other Funding Sources

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there details of known or reasonably anticipated additional financial support to the USP</i>	<i>Phase 2 will need to be funded by either a future VCBB grant using BEAD funding or an alternative funding source.</i>

### 3.5 Community Engagement

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Detail of efforts to engage the local municipality or area subject to the grant proposal</i>	<i>Document labeled "History, Community Outreach and Demographic Detail"</i>

## 4. Project Description

Y	N	Question	Notes
Does the project description contain the following information?			

### 4.1 Eligible Locations to be Served

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>All eligible locations to be served.</i>	

#### 4.2 Not to Exceed or Estimated Price

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Not to exceed price or estimated price for the project</i>	<i>Not to exceed for Phase 1</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Phased price estimate (Phased projects only)</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Figure specifies if drops are included or not in the price</i>	<i>Consolidated is fully funding the cost of drops and installation to all addresses.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Amount dedicated to drops is consistent with feasibility plan</i>	<i>LFCUD has reserved \$175,000 of Local ARPA Match to cover drops for any addresses within the CUD that fall outside of Consolidated's standard policies.</i>

#### 4.3 Timeline

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Detailed timeline for this project and additional phases of the USP</i>	<i>Phase 1 is broken out in the document labeled "LFCUD CCI Timeline" and they state that Phase 2 still needs to be funded before the timeline is completed.</i>

#### 4.4 Retail Pricing

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is there a list of determined pricing?</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>If yes, is there a list of all proposed retail prices for service including additional fees (such as equipment rentals)</i>	<i>Fidium Price and Service Offerings</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>If no, is there detail on how pricing will be determined and demonstrate how the network will be self-sufficient?</i>	



<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Does the applicant currently provide symmetrical services to other areas at a lower rate?</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>If so, is there an explanation of the price difference?</i>	

#### 4.5 Additional Services

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Description of additional services</i>	<i>Fidium Price and Service Offerings</i>
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#### 4.6 Detailed Project Budget

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant provided a detailed project budget outlining line-item estimates for each activity?</i>	<i>LFCUD Detailed Project Budget</i>
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#### 4.7 Network Performance and Monitoring

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Plan for network performance and monitoring to identify congestion, maximize throughput and improve network performance.</i>	<i>Schedule D - Draft for VCBB 2023.07.27</i>
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#### 4.8 Other Information

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Any other relevant information included demonstrating the technical, financial, and economic feasibility of the project and qualifications of the project team.</i>	<i>Additional attachments folder included many supporting documents.</i>
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#### 5. Act 71 Considerations

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
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### 5.1 Collaboration and Coordination

Does this project include collaboration with any of the following?			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Other CUDs or municipalities that were not part of a CUD on June 1, 2021.</i>	<i>Cooperation with NEK in areas of joint district membership</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Utilities serving the area of the USP</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Telephone, cable providers or other ISPs</i>	<i>Consolidated Communications Enterprise Services, Inc.</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Other entities</i>	

### 5.2 Resiliency and Redundancy

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project detail steps taken to provide resiliency and redundancy?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does it provide interconnection locations?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does it comply with Outside Plant Requirements?</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>

### 5.3 Incidental Overbuild

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project detail incidental overbuild locations?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Included percentage of addresses to be served that already have access to speeds of at least 25/3</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Is the proposed incidental overbuild addresses less than 20% of the total number of addresses passed?</i>	N/A

### 5.4 Sustainability

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project detail how it plans to fulfil its USP within the required timeframe?</i>	<i>The business plan talks about USP in Phase 1 in the required timeline</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project describe how this grant is consistent with their existing business plan</i>	

### 5.5 Affordability

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Will the applicant be participating in the Communications Commission’s Affordable Connectivity Program (ACP)</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Will the applicant provide access to a broad-based affordability program to low-income consumers commensurate with those provided under the ACP?</i>	<i>LFCUD 2023 Business Plan</i>

### 5.6 Technical and Security Approach

<i>Does the project include or consider the following?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Network operation, including tools or techniques in a manner that ensures reliable communications</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>How to assess operational performance of the network and use the gathered information to optimize the network and services</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of the information exchange interfaces for communicating devices</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how the project will provide openly available and proprietary aspects of the interface specifications and how legacy devices and systems will be integrated into the project.</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how response to failure and device upgrade scenarios will be handled so that overall system impact is mitigated</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how the project will support compatibility with cyber security framework and protocols</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of cyber security risks and how they will be mitigated (Focused on vulnerabilities and impact)</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of the cyber security criteria utilized for vendor and device selection</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of relevant cyber security standards or best practices</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how emerging security standards will be supported</i>	<i>Lamoille FiberNet_Form Responses_07-31-2023</i>

6. Attachments

6. Attachments			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Act 71 compliant business plan</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Letters of support including letters of support from municipality to be served if applicant is a non-CUD applicant.</i>	<i>LFCUD Combined Letters of Support for Construction Grant 2023.07.31</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Documentation of commitment of community matching funds</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the letter state the amount of funds and detail the intended use of the funds in support of the project? *Act 71 Construction Program RFP P4 Funding Available, Section 2</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Response to service quality complaints</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Operating agreements and other partnership agreements</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>USP Map</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Link to GIS shapefile</i>	<i>KMZ files provided</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Accompanying spreadsheet showing addresses, E-Site IDs, current level of service and expected service date</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Request for confidentiality memo</i>	

## ACT 71 Compliant Business Plan

*\*Act 71 Construction Program RFP P2 Definitions and Explanations*

### General

Y	N	Question	Notes
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Were the business plans produced via a PSD Broadband Innovation Grant?</i>	<i>No indication</i>
		<i>Who produced the business plan?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Has it been independently signed off on by a financial institution?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Has it been updated since?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the business plan include a Universal service plan?</i>	

### Required Data

Does the business plan include the following?			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>High level engineering and design plans</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Market analysis</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Take rate assumptions</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Cash flow positive date</i>	<i>Partnership with CCI</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Loan payoff date</i>	<i>No loan</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Financing Models</i>	<i>CCI includes 10K</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Pro forma financial projections</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Estimated construction costs</i>	

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Ideal operational models</i>	<i>CCI will operate and maintain the network</i>
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Risk Evaluation

<i>Does the business plan evaluate the following risks?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Labor needs and availability</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Supply chain contingencies</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Make ready work</i>	<i>LFCUD 2023 Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Other relevant operational expenses</i>	<i>LFCUD 2023 Business Plan</i>

Project Prioritization

<i>*Act 71 Construction Program RFP P8 Definitions and Explanations</i>			
<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project leverage existing resources and assets?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the applicant demonstrate project readiness and have community support?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project support low-income or disadvantaged communities?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project promote geographic diversity of fund allocations?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project provide consumers with affordable service options and/or commit to participate in a program that supports low-income consumers?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project Include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project provide a network design that is scalable, addresses redundancy and will result in high reliability and resiliency?</i>	

## OSP Design Requirements

### VCBB Outside Plant Design Requirements

#### Part 1

Y	N	Question	Notes: some items are not applicable based on approved modified OSP requirements
Does the design include standards that cover the following:			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Fiber sparing and reservation recommendations</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>No less than 3 tubes of spares between hubs</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>1 spare tube between the OLT and splitter</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Included loss budgets</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Accountability for future / unplanned growth including public safety and wireless</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>No middle-mile cable size less than 48F</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Power supply and back up requirements for active locations</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>

#### Part 2

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Pre-assigned PON splitter and OLT port for every identified E-911 address</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Estimated drop distances and routes for demand points</i>	<i>Not applicable at this stage</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>Slack budgets and identification of slack points</i>	<i>Not applicable at this stage</i>

Part 3

Prior to Closeout Design Deliverables			
Y	N	Question	Notes: some items are not applicable based on approved modified OSP requirements
<input type="checkbox"/>	<input type="checkbox"/>	Detailed planned optical loss calculations	
<input type="checkbox"/>	<input type="checkbox"/>	Loss testing results in accordance with ANSI/TIA/EIA 526-7	

Part 4

Prior to Closeout Design Deliverables			
<input type="checkbox"/>	<input type="checkbox"/>	Prior to closeout splice diagrams in GIS format	Not applicable at this stage

Part 5

Recommended integration locations that consider the following:			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Geographic redundancy	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Connections with adjacent CUD networks	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Connections with private networks	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Future redundancy options	

Part 6

Prior to close-out design mapping deliverables: Not applicable at this stage			
<input type="checkbox"/>	<input type="checkbox"/>	Online and downloadable field engineering data	
<input type="checkbox"/>	<input type="checkbox"/>	Online and downloadable detailed construction maps	



<input type="checkbox"/>	<input type="checkbox"/>	<i>Bills of materials linked to locations</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>GIS network diagram that reflects what was built out</i>	

Part 7

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Equipment and materials must comply with the domestic content requirements of the American Rescue Plan Act</i>	<i>Consolidated currently abides by federal requirements for other federally funded programs and will meet the domestic content requirements for this grant as interpreted by VCBB. If VCBB provides a list of specific criteria they have used with other CUD's or more generally with regards to this requirement we can provide more detailed information.</i>

**ACT 71 Construction Grant Review Sheet – Lamoille Fiber 081423**

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**SUMMARY SHEET**

**PLAN**

**Total Estimated Cost of Universal Service Plan: \$23.7 M**

**Total Miles Required: 632**

**Cost/mile = \$37,500**

**Total # of passings: 9050**

**Total # of eligible addresses: 4833**

**PROJECT**

**Cost of proposed project (amount of grant): \$13,588,636**

**Miles to be constructed: 550**

**Grant Cost/mile: \$24,707**

**Total # of passings: 7869**

**Total # of eligible addresses: 4170**

**Total Addresses served: N/A Fidium assumes risk**

**Overall Take rate assumption: N/A Fidium assumes risk**

**Towns with addresses to be served this phase: Belvidere, Cambridge, Eden,  
Elmore, Hyde Park, Johnson, Morristown, Stowe, Waterville, Wolcott**

**Public Ownership: No**

**CHECKLIST**

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**Business Plan**

*Note: The business plan is a stand-alone document. Do not refer to documents elsewhere.*

**Is the Plan Act 71 Compliant? (PASS/FAIL)**

**Does the business plan include a Universal Service Plan? \_X\_ Yes \_No**

**Does the business plan include the following?**

High-level design plans \_X\_ Yes \_No \_Conversion of Existing Network

Market analysis \_X\_ Yes \_No \_N/A \_Existing ISP

Take-rate assumptions  Yes  No N/A    
Cash flow positive date (as relevant)  Yes  No  Not Applicable   
Expected loan payoff date(s)  Yes  No  Not Applicable   
Financing models  Yes  No  Not Applicable   
Pro forma financial projections  Yes  No  Not Applicable   
Estimated construction costs  Yes  No   
Ideal operational models  Yes  No  Existing Model

**Does the Business Plan evaluate the following risks:**

Labor needs and availability  Yes  No   
Supply-chain contingencies for equipment and materials  Yes  No   
Make-ready work  Yes  No   
Additional other relevant capital and operational expenses.  Yes  No   
Contract management including safety/house-keeping  Yes  No  Existing Record

**What is expected for a HLD?** A high-level design consists of a route map. Addresses passed and interconnection points for backhaul. The HLD should also show the planned phases of construction. We understand that these phases may adjust over time.

**High Level Design Route Map**

- Proposed Construction Phases
- OLT/Distribution Areas (DA)
- Span Routes
  - o Backbone Route (that can be part of the span route)
- Passings by Type – (underserved or served/ not on grid)
  - o ESite ID, E911 Address, Current level of Service, Phase
- Interconnection Points for Backhaul
  - o Location

**What is necessary for the spreadsheet:** All addresses in the plan with the current level of service. Must include ESite ID, E911 address, Phase

**Overview:**

Provided an estimated cost for Universal Service Plan:  Yes  No   
Provided cost breakdown for proposal project within that plan:  Yes  No   
Community Match:  Yes  No  How much? \$50,000   
Estimate Ratio of VCBB funding to other funding – Universal Service Plan - (Goal – minimum 60/40 for private)  43/57    
Grant Cost per passing (this amendment) to be constructed or upgraded for addresses included Universal Service Plan: \$1727   
Certification of Acceptance of Conditions:  Yes  No   
Provided list of subcontracts:  Yes  No  Not Applicable   
Act 71 Compliant Business Plan:  Yes  No

**Universal Service Plan: (PASS/FAIL)**

Demographics of community:  Yes  No

Map showing the phases of the universal service plan:  Yes  No

Who owns the infrastructure  public  private

Does the applicant account for all underserved addresses?  Yes  No

Will they serve them all directly?  Yes  No

If not, did they include letters of commitment or other supporting materials for the remaining addresses?  Yes  No

Will all addresses in a community be served via this proposal?  Yes  No

Are there other funding sources?  Not Applicable

Evidence of Community Engagement and Support?  Yes  No

**Project Description**

Narrative and map showing the project proposed for funding. The map should show the route and current level of wireline service at each address (showing cable lines or fiber lines is acceptable) to be served in the phase to be funded with this grant proposal.

Retail Price:  \$85 250/250;  \$55 50/50 Concerns?  None

Reasonably detailed budget:  Yes  No

Plan for monitoring the network:  Yes  No

Spreadsheet detailing all locations (ESite ID, E911 Address, Current level of Service, Phase (if applicable), and overbuild rationale for any addresses currently served.  Yes  No  Not Applicable

**Act 71 Criteria**

Evidence of collaboration?  Yes  No

Steps to address resiliency and ensure redundancy?  Yes  No

Is the project designed to provide service to unserved and underserved? Incidental overbuild is at or under 20% and the proposal passes the overbuild "tests" -  Yes  No

Sustainability – If more than a single phase, does the business plan support achieving universal service?  Yes  No

Affordability – Has the applicant certified it is participating in the Affordable Connectivity Program or the equivalent?  Yes  No

Technical and Security Approach  Yes  No

**Attachments:**

Act 71 Compliant Business Plan  Yes  No

Letters of Support  Yes  No

Documentation of Community Match  Yes  No  Not applicable

Response to Service Quality Complaints:  Yes  No  Not applicable

Operating agreements:  Yes  No Term sheet

Maps, Spreadsheets and High-Level Network Design:  Yes  No



To: Vermont Community Broadband Board  
From: Lisa Birmingham, Interim Executive Director, LFCUD  
CC: Christine Hallquist, Rob Fish, Lucy Rogers, Alissa Matthews, Jeff Tilton, Erik Garr, Sarah Davis, Brian Lim  
Re: LFCUD Grant #02240-FY22-Act 71 Preconstruction 06 – Application for Amendment – Request for Additional Funding and December 2025 Performance Period  
Date: July 31, 2023

On behalf of Lamoille FiberNet Communications Union District (“LFCUD” or “Lamoille FiberNet”), I am pleased to submit this Amendment Application to our current Preconstruction Grant requesting the remaining \$1,369,478 in preconstruction funds. LFCUD also requests a continuation of the current performance period, which is December 2025, to coincide with the completing detailed design and oversight of construction of Phase 1 and preconstruction design and planning activities for Phase 2 of our Universal Service Plan.

This Amendment Application aligns with and is necessary to support our \$13,588,636 Construction Grant Application, also filed today. Leveraging the available preconstruction funds enables LFCUD to maximize available construction funds, thus accelerating broadband deployment to Lamoille County’s unserved and underserved addresses.

**Supporting Documentation.** The following documents are submitted in support of this application: 1) Proposed Timeline and Milestones and 2) Updated Budget Detail showing the Original Grant Budget, actual through May 2023, Forecast through 2023, and Proposed Budget for the Amendment. Proof of insurance and a W-9 are attached separately. Consistent with our current grant, LFCUD will continue to comply with Attachment C (state and federal grant requirements).

**Current Grant.** LFCUD was awarded Grant 02240-FY22-Act 71 Precon 06 in November 2021 with a performance end date of December 2025, and the expectation that the scope of work would be complete in 18-24 months. LFCUD completed feasibility studies, conducted extensive due diligence on eligible addresses and design options, issued competitive bids (RFPs) for construction, network operations and maintenance and provisioning of internet services, all consistent with the Grant’s Scope of Work and Act 71. With the support of industry consultants, legal counsel, local partners, LFCUD evaluated various business models, including a dark fiber lease with Google Fiber, standing up a wholly-owned FTTP network supported by subcontracted ISP and network operator and maintenance services, and a public private partnership with Lamoille County’s incumbent ILEC, Consolidated Communications. Finally, LFCUD has dedicated substantial effort to building organizational capacity. Its governance, procurement, record retention, and financial control policies, combined with its highly-engaged and experienced Board enable LFCUD to be responsive and resilient.



LFCUD anticipates exhausting its original preconstruction funds (\$1,193,995) prior to December 2023.<sup>1</sup> Two-thirds of the funding (\$816,162) has been spent in support of administrative overhead and professional services (consultants, legal, software and systems, audit, and accounting), the remaining third (\$372,000) is budgeted for detailed design and engineering. LFCUD originally budgeted only for an executive director. In April 2022, LFCUD hired a part-time grant coordinator to support its Executive Director with compliance and grant activities. In September of 2022, LFCUD hired a full-time construction manager to support the development of a detailed design and makeready, and until March 2023 had three employees. Currently, LFCUD has 2 full-time employees (Executive Director and Construction Manager) and a part-time college intern. To support time-sensitive projects such as financial audits, LFCUD has afforded and will continue to budget hourly contractors.

LFCUD 2023 forecast includes funding for our financial audit and our first Single Federal Audit. Legal fees are expected to peak in 2023 due to the number of agreements which need to be drafted and executed, most significantly our partnership agreement with Consolidated Communications.

**Proposed Amendment - Planned Spend 2024-2025.** The additional funds will be used to support Phase 1 detailed design and engineering and construction oversight (beginning Q3 2023), and the overlapping preconstruction planning for Phase 2 (beginning Q3 2024). The additional funds will also support personnel costs, professional (legal, audit, accounting) services, and other necessary administrative and operating costs. More specifically:

**Engineering & Design.** Our partner, CCI has budgeted \$1.4 million for detailed engineering and design of Phase 1 of our two-phased Universal Service Plan. LFCUD plans to use its remaining preconstruction funds and a portion of the additional preconstruction funds (capped at \$891,608) to complete detailed engineering and design for Phase 1 of its Universal Service Plan.

**Administration, Project Management & Oversight.** LFCUD has budgeted \$850,000 to support its operations, compliance and construction oversight during the Phase 1 construction and planning for Phase 2. The proposed 2024 and 2025 operating budget contemplates a 10% reduction in administrative costs. Savings will be realized through cost-sharing partnerships with VCUDA, other CUDs, or Lamoille County partners. LFCUD anticipates continuing to employ an executive director and project manager, at either reduced time or through shared services arrangements. LFCUD budgeted reduced legal fees for Phase 1 (2024 and 2025) of \$55,000, compared to \$88,000 for the past two years. Insurance, utilities, memberships, subscriptions, and marketing are budgeted with slight adjustments for inflation.

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<sup>1</sup> LFCUD has also been supported by a \$25,000 USDA grant in partnership with Lamoille County Planning Commission, \$35,000 Vermont Community Foundation grant, and a \$120,000 CARES grant. Some of these funds supported a feasibility study, pole study and a county needs assessment survey.



### Preconstruction Budget - Two Items of note:

1. **In-house Construction Manager.** Our in-house construction manager has dedicated considerable effort to riding out our communities to document the availability of broadband, assessing pole conditions and routes, working with pole owners and other CUDs, all of which contributed to the network design and construction readiness. Based on our accountant's advice, these preconstruction activities which could have been allocated to design or makeready, were assigned to personnel, until a construction start date was certain. Once construction begins, our manager will be active in the field, monitoring CCI's progress and compliance. For consistency and simplicity, these internal costs will continue to be in LFCUD's Administrative Budget.
2. **Need to Repurpose Pre-purchased Fiber.** As contemplated by the Precon 06 Grant, LFCUD began the process of procuring key construction materials in late 2021. Through VCUDA, LFCUD pre-purchased roughly 131 miles of 48- and 144-count fiber valued at \$428,000. LFCUD # 02240-FY22-Act 71 Precon 06 Preconstruction was amended to include \$281,652 from the materials pre-purchase program, and a \$146,521 advance from its construction allocation. See #02240-FY22-Act 71 Precon 06 Amendments 2,3, and 4. The attached Preconstruction Budget reflects the pre-purchase of materials and construction advance as is.

Our partner, CCI, cannot use this fiber. To ensure compliance with state and federal grant requirements, Guidehouse and VCBB staff advised LFCUD to repurpose the fiber by donating it to another CUD. LFCUD expects to repurpose the fiber to Northwest CUD ("NWCUD"). LFCUD anticipates submitting a fully-executed Memorandum of Understanding ("MOU") with NWCUD prior to the August 14, 2023 VCBB meeting.<sup>2</sup> In reliance on the MOU, LFCUD's Construction Grant application will request a true-up of LFCUD construction allocation by crediting the LFCUD's \$146,521 advance. LFCUD will defer to VCBB regarding how to reconcile and document adjustments in LFCUD and NWCUD's preconstruction and construction grants.

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<sup>2</sup> NWCUD has a need for this fiber and has reviewed LFCUD's invoices and draft Memorandum of Understanding. The MOU contemplates that LFCUD will donate the fiber to NWCUD contingent on approval of LFCUD's construction grant application. NWCUD has provided provisional approval of the MOU and is awaiting legal review and Executive committee endorsement.



**Preconstruction Grant - Planning, Construction and Oversight - Timeline and Milestones**

Project	Task/ Milestones	Start Date	End Date	Expected Construction Start
Finalize Partnership Agreement	Negotiate terms; draft final agreements; execute	Feb. 2023	Sept. 2023	
Update High-Level Design and Business Plan	Confirm addresses; develop budget; update Business Plan	April 2023	July 2023	
Construction Grant Application	Prepare and submit for August consideration	May 2023	July 31	Start Jan. 2024- Dec 2024; 2025 reserved for normal delays
Develop Detailed Design of Approved USP		Aug. 2023	Nov. 2023	
Phase 1 - Develop Construction Schedule and Project Management Plan		Oct. 2023	Dec. 2023	
Develop Grant and Partnership Reporting	Grant report and CCI reports	Aug. 2023	Oct. 2023	
Develop Nonstandard Drop Program /Local ARPA Match Program	Initiate stakeholder planning; scope needs based on outreach; adopt policy; implement and promote	Q4 2023	Q2 2024	
Support Annual Financial and Grant Compliance	Monthly and quarterly VCBB reports, quarterly and annual CCI reports, annual audits; other required filings and registration	Ongoing	Ongoing	
Phase 2 - Develop Budget and Updated Plan	Verify addresses; develop budget and plan; issue RFP if necessary; secure funding through partner or grants	Q2 2024	Q3 2024	Start Q1 2025- end Q3 2026
Develop Detailed Design		Q4 2024	Q4 2024	
Develop Construction Schedule and Project Management Plan		Q4 2024	Q1 2025	
Develop Grant and Partnership Reporting		Q1 2025	Q2 2025	



LFCUD Preconstruction Budget	Original 12 month	ACTUAL Cum. through May 2023	Cum. Forecast through Dec 2023	Precon Amendment 2024-2025	Total Preconstruction
Exec Dire Salary & Benefits	\$155,740	\$180,000	\$276,000	\$-	
Administrative Personnel	\$110,145			\$-	
Personnel Payroll *	\$-	\$91,190	\$147,169	\$-	
<b>Total Wages</b>	<b>\$265,885</b>	<b>\$271,190</b>	<b>\$423,169</b>	<b>\$395,000</b>	<b>\$818,169</b>
<b>Total Personnel</b>	<b>\$265,885</b>	<b>\$325,030</b>	<b>\$506,212</b>	<b>\$458,000</b>	<b>\$964,212</b>
<b>Admin</b>	<b>\$-</b>	<b>\$119,443</b>	<b>\$221,450</b>	<b>\$337,000</b>	<b>\$558,450</b>
<b>Legal</b>	<b>\$48,000</b>	<b>\$31,880</b>	<b>\$88,500</b>	<b>\$55,000</b>	<b>\$143,500</b>
<b>Total Gen &amp; Admin</b>	<b>\$313,885</b>	<b>\$476,352</b>	<b>\$816,162</b>	<b>\$850,000</b>	<b>\$1,666,162</b>
Permits/transport			\$3,075	\$-	\$3,075
High Level Design		\$2,517	\$2,517	\$-	
Make Ready Pole Studies		\$-	\$-	\$-	
Engineering Detail Design	\$880,000	\$-	\$372,130	\$519,478	\$891,608
<b>Total Design Active PreCon</b>	<b>\$880,000</b>	<b>\$2,517</b>	<b>\$377,722</b>	<b>\$519,478</b>	<b>\$897,200</b>
<b>Total Expenses excluding Materials</b>	<b>\$1,193,885</b>	<b>\$478,870</b>	<b>\$1,193,885</b>	<b>\$1,369,478</b>	<b>\$2,563,363</b>
Materials		\$431,248	\$428,173		\$428,173
Total incl. materials	\$-	\$910,117	\$1,622,057	<b>\$1,369,478</b>	\$2,991,535
Grant Award or Allocation	\$1,193,885	\$1,622,058	\$1,622,058	\$1,369,478	\$2,991,536

**LFCUD**  
**Preconstruction**  
**Grant**  
 Budget, Actual,  
 Forecast &  
 Amendment  
 Request

July 31, 2023

**From:** andrew perchlik <andrewperchlik@gmail.com>  
**Sent:** Monday, August 7, 2023 12:53:01 PM  
**To:** Christine.hallquist@vermont.gov <Christine.hallquist@vermont.gov>  
**Cc:** Lisa Birmingham <director@lamoillefiber.net>; Stephen Friedman <sfriedman@lamoillefiber.net>  
**Subject:** Letter of Support for Lamoille FiberNet 2023 Construction Grant Application

Dear Christine,

The work Lamoille FiberNet is doing is crucial to ensuring that every household and business in Lamoille County has access to affordable broadband Internet that can be relied on for economic development, education, social needs, and telehealth.

Many of my constituents in Lamoille FiberNet's area lack reliable high-speed internet, and I am therefore writing to fully support the Lamoille FiberNet Grant Application with the Vermont Community Broadband Board.

I also support the fact that Lamoille FiberNet's board did extensive research, outreach, and due diligence before selecting Fidium Fiber, and that they focused on affordability and timeliness in making their decision.

I support Lamoille Fibernet's construction grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or need additional information.

Sincerely,

>>>>>>>>

Andrew Perchlik

*State Senator, Washington District*

[www.AndrewPerchlik.com](http://www.AndrewPerchlik.com)

**From:** Ann Cummings <senatoranncummings@gmail.com>  
**Sent:** Sunday, August 6, 2023 11:58 AM  
**To:** Hallquist, Christine <Christine.Hallquist@vermont.gov>  
**Cc:** Val Davis <director@lamoillefiber.net>; sfriedman@lamoillefiber.net  
**Subject:** Letter of Support for Lamoille FiberNet 2023 Construction Grant Application

You don't often get email from [senatoranncummings@gmail.com](mailto:senatoranncummings@gmail.com). [Learn why this is important](#)

**EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.**

Dear Christine,

Many of the homes and businesses in my constituency area lack reliable high-speed internet, which is essential for today's economic and social activities. Therefore, I am writing to enthusiastically support the Lamoille FiberNet Grant Application with the Vermont Community Broadband Board.

I am aware that Lamoille FiberNet's board researched several models for its network construction and operation before selecting Fidium Fiber. Fidium's work with the Southern Vermont CUD is admirable and I am glad that affordability and timeliness were among the board's top priorities as it made its selection of a partner.

The work Lamoille FiberNet is doing is crucial to closing the digital divide and ensuring that every household and business in Lamoille County has access to affordable and reliable broadband internet.

I support Lamoille FiberNet in its grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or need additional information.

Sincerely

Ann Cummings  
Senator, Washington District

August 7th, 2023 via Email

Christine Hallquist Christine.hallquist@vermont.gov

Vermont Community Broadband Board

Cc: director@lamoillefiber.net, sfriedman@lamoillefiber.net

Re: Letter of Support for Lamoille FiberNet 2023 Construction Grant Application

Dear Christine:

Many of the homes and businesses in my constituency area lack reliable high-speed internet, which is essential for today's economic and social activities. Therefore, I am writing to enthusiastically support the Lamoille FiberNet Grant Application with the Vermont Community Broadband Board.

I am aware that Lamoille FiberNet's board researched several models for its network construction and operation before selecting Fidium Fiber. Fidium's work with the Southern Vermont CUD is admirable, and I am glad that affordability and timeliness were among the board's top priorities as it made its selection of a partner.

The work Lamoille FiberNet is doing is crucial to closing the digital divide and ensuring that every household and business in Lamoille County has access to affordable and reliable broadband Internet.

I support Lamoille Fibernet in its grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink that reads "Anne Watson". The signature is written in a cursive style with a large, sweeping flourish at the end.

Vermont State Senator for the Washington District

[awatson@leg.state.vt.us](mailto:awatson@leg.state.vt.us)

802-595-1734

**From:** Avram Patt <APatt@leg.state.vt.us>  
**Sent:** Saturday, August 5, 2023 9:30:26 AM  
**To:** Hallquist, Christine <Christine.Hallquist@vermont.gov>  
**Cc:** Jane Campbell <jcampbell@lamoillefiber.net>; Lisa Birmingham <director@lamoillefiber.net>  
**Subject:** SUPPORT LETTER for Lamoille FiberNet's 2023 Construction Grant Application

August 5, 2023 VIA Email

**TO:** Christine Hallquist [Christine.hallquist@vermont.gov](mailto:Christine.hallquist@vermont.gov)  
Vermont Community Broadband Board

**Cc:** director@lamoillefiber.net, jcampbell@lamoillefiber.net

**Re:** Letter of Support for Lamoille FiberNet 2023 Construction Grant Application

Dear Christine:

I am writing in strong support of Lamoille FiberNet's 2023 Construction Grant Application. Lamoille FiberNet's work is fundamental in ensuring that every household and business in Lamoille County has access to affordable broadband that can be relied on for economic development, education, social needs, and telehealth.

Many of my constituents, as well as residents of the other Lamoille County communities, lack reliable high-speed internet. In the Lamoille County part of my district, this includes residents of Elmore as well as a great many residents on the many miles of backcountry rural roads of Morristown, and perhaps some in the small part of Stowe added to the district in 2023.

During the Covid crisis, I was contacted by constituents in these towns (as well as in the two small Washington County towns in my district) who lacked sufficient connectivity to allow them to work or participate in their education from home. I will always remember being contacted by families such as the one with two working parents and two schoolchildren sitting in their car at their town's wifi hotspot for hours and days in the wintertime with the engine running.

Lamoille FiberNet's board did extensive research, outreach, and due diligence before selecting Fidium Fiber, focusing on affordability and timeliness. This is an application deserving of funding and I am glad to convey my enthusiastic support. I appreciate the VCBB's commitment to making this infrastructure work possible.

Sincerely,



---

**Rep. Avram Patt**, Lamoille-Washington District  
Morristown, Elmore, Woodbury, Worcester & northern Stowe

Member, House Environment & Energy Committee

Mail: 139 West Hill Rd., Worcester, VT 05682

Phone: [\(802\) 223-1014](tel:8022231014)



**STATE OF VERMONT  
HOUSE OF REPRESENTATIVES  
115 STATE STREET  
MONTPELIER, VT  
05633-5201**

August 5, 2023

Christine Hallquist  
Executive Director  
Vermont Community Broadband Board  
112 State Street Third Floor  
Montpelier, VT 05620

Re: Letter of Support for Lamoille FiberNet 2023 Construction Grant Application

Dear Ms. Hallquist,

As you and I have spoken about many times, the lack of affordable, reliable, high-speed internet in our community is wide spread. This issue is one of the most reoccurring topics that I hear from my constituents, both individuals and business continue to make their voice heard. Therefore, I am writing to you in consideration for your support for the Lamoille FiberNet Grant Application with the Vermont Community Broadband Board.

I am aware that Lamoille FiberNet's board researched several models for its network construction and operation before selecting Fidium Fiber. Fidium's work with the Southern Vermont CUD is admirable, and I am glad that affordability and timeliness were among the board's top priorities as it made its selection of a partner.

The work Lamoille FiberNet is doing is crucial to closing the digital divide and ensuring that every household and business in Lamoille County has access to affordable and reliable broadband Internet.

I support Lamoille Fibernet in its grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or if I can be of any further assistance.

In Service,

A handwritten signature in black ink that reads "Daniel Noyes".

Representative Daniel Noyes  
Lamoille - 2  
[DNoyes@leg.state.vt.us](mailto:DNoyes@leg.state.vt.us)  
802-730-7171





[JXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=EW8jF9Zqpi8vHA2%2Fbj3yCxq7hvw%2BV4UQBRWGKnlxzxE%3D&reserved=0](http://JXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=EW8jF9Zqpi8vHA2%2Fbj3yCxq7hvw%2BV4UQBRWGKnlxzxE%3D&reserved=0)>

**From:** Melanie Carpenter <MCarpenter@leg.state.vt.us>  
**Sent:** Tuesday, August 8, 2023 1:53 PM  
**To:** Hallquist, Christine  
**Subject:** Letter of Support for Lamoille FiberNet 2023 Construction Grant Application

**EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.**

Christine Hallquist  
Vermont Community Broadband Board

Dear Christine,

Many of the homes and businesses in my constituency area lack reliable high-speed internet, which is essential for today's economic and social activities. It is very difficult for these unserved or underserved people. It is my hope that you will help us change this. I am writing to enthusiastically support the Lamoille FiberNet Grant Application with the Vermont Community Broadband Board.

The Lamoille FiberNet's board researched several models for its network and operation and has selected Fidium Fiber. Fidium Fiber's work with Souther Vermont CUD has been successful--focusing on both affordability and timeliness. It is our hope that Lamoille FiberNet, utilizing the strengths of Fidium Fiber, will meet the needs of our community to provide affordable and reliable broadband internet.

I support Lamoille Fibernet in its grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or need additional information. Thank you for your time and energy on this important work.

Sincerely,  
Melanie Carpenter



**Rep. Melanie Carpenter**

Lamoille-2 | Committee on Health Care

216 Mead Rd, Hyde Park, VT 05655

cell/text [802-739- 4679](tel:802-739-4679)

[MCarpenter@leg.state.vt.us](mailto:MCarpenter@leg.state.vt.us)

Belvidere, Hyde Park, Johnson, Wolcott



**STATE OF VERMONT**  
HOUSE OF REPRESENTATIVES

Dear Christine:

The work Lamoille FiberNet is doing is crucial to ensuring that every household and business in Lamoille County has access to affordable broadband Internet that can be relied on for economic development, education, social needs, and telehealth.

Many of my constituents lack reliable high-speed internet, and I am therefore writing to fully support the Lamoille FiberNet Grant Application with the Vermont Community Broadband Board.

I also support the fact that Lamoille FiberNet's board did extensive research, outreach, and due diligence before selecting Fidium Fiber, and that they focused on affordability and timeliness in making their decision.

I support Lamoille FiberNet's construction grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or need additional information.

Sincerely,

Rep. Michael Marcotte

Orleans-Lamoille

**From:** Mark Higley <MHigley@leg.state.vt.us>  
**Sent:** Monday, August 7, 2023 7:33 AM  
**To:** Hallquist, Christine <Christine.Hallquist@vermont.gov>  
**Cc:** Val Davis <director@lamoillefiber.net>  
**Subject:** Lamoille FiberNet Letter of Support!

**EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.**

Dear Christine:

The work Lamoille FiberNet is doing is crucial to ensuring that every household and business in Lamoille County has access to affordable broadband Internet that can be relied on for economic development, education, social needs, and telehealth.

Many of my constituents lack reliable high-speed internet, and I am therefore writing to fully support the Lamoille FiberNetGrant Application with the Vermont Community Broadband Board.

I also support the fact that Lamoille FiberNet's board did extensive research, outreach, and due diligence before selecting Fidium Fiber, and that they focused on affordability and timeliness in making their decision.

I support Lamoille Fibernet's construction grant application and I appreciate the VCBB's commitment to making this infrastructure work possible. Please let me know if you have any questions or need additional information.

Sincerely,

~ Mark  
Rep. Mark Higley  
Orleans/Lamoille  
802-744-6379



**STATE OF VERMONT**  
**SENATE CHAMBER**<sup>[1]</sup><sub>[SEP]</sub>  
**115 STATE STREET**  
**MONTPELIER, VT**  
**05633-5201**

August 7, 2023

To: The Vermont Community Broadband Board

I want to express my strong support for the Lamoille FiberNet's grant application for funds to build out coverage across all of Lamoille County and their service area.

Lamoille County residents have long expressed their overwhelming support for affordable high-speed Internet. It has long been asked for as a basic need for residents. While some Lamoille County residents and businesses have access to robust and reliable broadband service, a significant portion (approximately 42%) do not and these addresses are the hardest or most expensive to serve. In many cases our hardest to serve residences are in our lowest income communities. Broadband services have become an economic must for people.

Lamoille FiberNet's board has researched several models for its network construction and operation before selecting Fidium Fiber. Fidium has demonstrated success in partnering with other municipalities to deliver reliable, high-speed Internet to underserved and unserved communities throughout Vermont and northern New England.

In the Legislature and specifically in the Senate Appropriations Committee I was a strong supporter of the appropriations of these funds to the Department of Public Service. The funds requested in this grant by Lamoille FiberNet for Broadband Construction and Pre Construction from the Vermont Community Broadband Board is exactly why I supported these funds being included in the State Budget.

I'm happy to add my voice to the support of this grant application.

Regards,  
Richard Westman  
State Senator the Lamoille District

# ctc technology & energy

engineering & business consulting

To: Alissa Matthews, *Special Projects and Implementation Manager*  
Vermont Community Broadband Board  
Lucy Rogers, *Rural Broadband Technical Assistance Specialist*  
Vermont Community Broadband Board

From: Teles Fremin, P.E., *Deputy Chief Technology Officer*

Re: Evaluation of construction grant application from Otter Creek

Date: August 8, 2023

At the request of the Board, this memo provides a review of the business plan and additional documentation provided by Otter Creek Communications Union District (OCCUD). Based on our review, OCCUD's construction grant application meets the specifications put forth in the Board's Application Requirements.

OCCUD has proposed a fiber-to-the-premises (FTTP) deployment in four phases to reach its 2,920<sup>1</sup> eligible addresses within the 18 member towns.<sup>2</sup> Phase 1, including 38 unserved locations, was completed and fully financed by Consolidated Communications, Inc (CCI). The remaining 2,882 addresses are separated into three additional phases. OCCUD estimates the costs for Phases 2 and 3 to total \$19,400,131, consisting of 474 miles of fiber to serve 2,715 eligible locations. OCCUD has not yet estimated the cost for Phase 4. The current grant application focuses on Phase 2, which consists of 356 miles of fiber that would connect 4,135 total addresses, including 2,316 eligible addresses. The total cost of Phase 2 is \$14,655,482, or \$6,328 per un/underserved passing.

OCCUD is partnering with CCI, and CCI has agreed to contribute \$4,343,210 of the total project cost for Phase 2. OCCUD noted that it will also utilize Act 71 (H.360) pre-construction grant funds of \$360,000 to support the project through the construction period. OCCUD is requesting the remaining balance of \$9,952,272 for Phase 2 from VCBB.

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<sup>1</sup> The total eligible addresses increased by 170 that were not included in VCBB's eligible address list, consisting of 39 addresses that OCCUD believes are unserved and 131 that it confirms were receiving service below 25/3 Mbps.

<sup>2</sup> Member towns are Benson, Brandon, Castleton, Chittenden, Fair Haven, Goshen, Hubbardton, Mendon, Pawlet, Pittsford, Poultney, Rutland City, Rutland Town, Shrewsbury, Sudbury, Wells, West Haven, and West Rutland.

Under the partnership, CCI will build, operate, and maintain Phase 2 and 3 of the network. OCCUD will own all infrastructure funded by the grant, excluding core infrastructure, while CCI will own all portions of the network built using CCI's own funding. As part of OCCUD's pre-construction grant request, OCCUD will be funding contractors and staff in support of its efforts over an eighteen-month period. Among their various responsibilities, the contractors and staff will have direct oversight and the ability to monitor the construction of CCI. OCCUD will also be engaged in community outreach to promote adoption. The term sheet also outlines performance measures that OCCUD has negotiated with CCI to mitigate risk.

OCCUD plans for construction to begin in early 2024 with completion of Phase 2 by the end of 2025.

OCCUD has not identified a funding source for Phase 3 or 4, which consists of 400 eligible addresses. CCI has agreed to build Phase 3 once funding has been secured, potentially including Broadband Equity, Access, & Deployment (BEAD) program funding. Additionally, OCCUD has reserved the right to partner with other providers to complete Phase 3 and 4 in the event that another partnership(s) would be more cost effective.

The checklist used to evaluate the application, business plan, and network design is provided in Attachment A.

## Attachment A: Application review checklist

# State of Vermont Act 71 Application Review Checklist

Applicant: **Otter Creek CUD**

### Eligibility

*\*Act 71 Construction Program RFP "Eligible Provider"*

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is the applicant a Communications Union District?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Is the applicant a small communications carrier?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Is the applicant an Internet Service Provider working with a CUD?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Is the applicant a Municipality?</i>	

### Required Documents

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Business Plan Included?</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Universal Service Plan Included?</i>	<i>OCCUD Universal Service Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Maps / KMZ files included?</i>	<i>OCCUD Universal Service Plan.kmz</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Subcontract(s) if applicable</i>	<i>OCCUD CCI Term Sheet - Exhibit C Draft 07.31.2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Transmittal letter</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Applicant Certification</i>	<i>1_OCCUD Form Responses_07-31-2023</i>



<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Other necessary documents</i>	<i>Folder labeled "Otter Creek CCI Additional Attachments"</i>
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## Proposal Details

*\*Act 71 Construction Program RFP P14 "Step 2: Full Proposal (By invitation Only)"*

### 1. Transmittal Letter and Proposal Overview

Y	N	Question	Notes
<i>Does the transmittal letter and proposal overview contain the following information:</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Full contact information for the applicant and any collaborators?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Preferred Application Process</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Total Estimated Cost to Complete the Universal Service Plan</i>	<i>OCCUD estimated the cost for Phase 2 (focus of application) and Phase 3 but not for Phase 4</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>"Estimated Cost" for the Universal Service Plan project to be completed in the next 24 months (or in a 24-month period)</i>	<i>Estimated cost for Phase 2</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Community matched funds or other funds to be contributed to the project</i>	

### 2. Applicant Certification

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant certified in writing all conditions contained in the construction program RFP?</i>	<i>VCBB__Applicant Attestation_updated_OCCUD</i>
<i>General Information</i>			
Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the applicant intend to use subcontractors?</i>	<i>OCCUD is partnering with CCI</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are the subcontractor terms included?</i>	<i>OCCUD CCI Term Sheet - Exhibit C Draft 07.31.2023</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Are there copies of the subcontract(s) included with the proposal?</i>	<i>OCCUD has not executed a contract with CCI</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is there an attached ACT 71 compliant business plan?</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there supporting documents for the business plan?</i>	

3. Universal Service Plan

*3.1 Proposed Universal Service Plan*

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the application contain a proposed Universal Service Plan?</i>	<i>OCCUD Universal Service Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant detailed the area(s) in which they propose to provide universal service per the requirements in the RFP?</i>	<i>The routes for the phases are broken out in the attached KMZ labeled "OCCUD Universal Service Plan".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant provided a map showing the current coverage in the proposed USP and the total number of qualifying locations?</i>	<i>In the attached KMZ labeled "Existing Service and Address Data" the applicant broke out the addresses into served and unserved locations.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant described who will own the resulting infrastructure?</i>	<i>Per the business plan "Consolidated Communications will own assets built using its own funding (e.g., drops, CPE). The CUD will own assets built using grant funding or any other funding provided by the CUD, excluding any core infrastructure built with this funding." Further details are provided.</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Are any of the planned service areas members of a CUD?</i>	<i>All members of OCCUD</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>If so, has the applicant provided a letter of support from the district and documentation explaining the relationship?</i>	<i>n/a</i>

3.2 Universal Service Plan

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the USP provide 100/100 Mbps service to all qualified locations?	Service offerings range from 50 Mbps to 2 Gbps
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant serving all locations directly?	CCI will be serving all locations through the partnership
<input checked="" type="checkbox"/>	<input type="checkbox"/>	If yes, have they presented a phased approach for serving all locations?	4 Phases, with Phase 2 as the focus of the current grant application and Phase 1 completed with private funding
<input type="checkbox"/>	<input type="checkbox"/>	If not, have they explained how the qualified locations will be served broadband service?	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	If yes, is there an included timeline showing each phase?	Phase 1 is complete and Phase 2 is broken out in the document labeled "OCCUD CCI Timeline" and they state that Phase 3 & 4 still needs to be funded before the timeline is completed.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Have they provided an overview of obstacles?	1_OCCUD Business Plan
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Are there any commitment letters from other providers?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this a joint application?	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is there a timeline for achieving universal service?	Phase 1 is complete and Phase 2 is broken out in the document labeled "OCCUD CCI Timeline" and they state that Phase 3 & 4 still needs to be funded before the timeline is completed.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Are there any attached documents supporting the applicant's commitment to universal service?	Universal service plan

### 3.3 Estimated Total Cost to Serve

Has the applicant provided the following information?			
Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Total cost estimate for serving all qualified locations encompassed by the USP	Phase 1 completed (paid for by CCI) Phase 2 total cost \$14,655,482 Phase 3 total cost \$4,744,649 Phase 4 total cost not provided
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The number of such locations	2,920 eligible unserved addresses across all phases
<input checked="" type="checkbox"/>	<input type="checkbox"/>	A description of how the estimate was derived and factors that will influence the final cost	1_OCCUD Business Plan

### 3.4 Other Funding Sources

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Are there details of known or reasonably anticipated additional financial support to the USP	Phase 3 & 4 will need to be funded by either a future VCBB grant using BEAD funding or an alternative funding source.
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### 3.5 Community Engagement

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Detail of efforts to engage the local municipality or area subject to the grant proposal	
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## 4. Project Description

Y	N	Question	Notes
Does the project description contain the following information?			

### 4.1 Eligible Locations to be Served

<input checked="" type="checkbox"/>	<input type="checkbox"/>	All eligible locations to be served.	
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#### 4.2 Not to Exceed or Estimated Price

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Not to exceed price or estimated price for the project</i>	<i>Not to exceed included for Phase 2 (\$10,331,393.00)</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Phased price estimate (Phased projects only)</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Figure specifies if drops are included or not in the price</i>	<i>Consolidated is fully funding the cost of drops and installation to all addresses.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>Amount dedicated to drops is consistent with feasibility plan</i>	<i>N/A</i>

#### 4.3 Timeline

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Detailed timeline for this project and additional phases of the USP</i>	<i>Phase 2 is broken out in the document labeled "OCCUD CCI Timeline" and they state that Phase 3 &amp; 4 still needs to be funded before the timeline is completed.</i>

#### 4.4 Retail Pricing

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is there a list of determined pricing?</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>If yes, is there a list of all proposed retail prices for service including additional fees (such as equipment rentals)</i>	<i>Fidium Price and Service Offerings</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>If no, is there detail on how pricing will be determined and demonstrate how the network will be self-sufficient?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Does the applicant currently provide symmetrical services to other areas at a lower rate?</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>If so, is there an explanation of the price difference?</i>	

#### 4.5 Additional Services

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Description of additional services</i>	<i>Fidium Price and Service Offerings</i>

#### 4.6 Detailed Project Budget

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has the applicant provided a detailed project budget outlining line-item estimates for each activity?	OCCUD Detailed Project Budget

#### 4.7 Network Performance and Monitoring

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Plan for network performance and monitoring to identify congestion, maximize throughput and improve network performance.	Schedule D - Draft for VCBB 2023.07.27

#### 4.8 Other Information

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Any other relevant information included demonstrating the technical, financial, and economic feasibility of the project and qualifications of the project team.	Additional attachments folder included many supporting documents.

### 5. Act 71 Considerations

Y	N	Question	Notes

#### 5.1 Collaboration and Coordination

<i>Does this project include collaboration with any of the following?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other CUDs or municipalities that were not part of a CUD on June 1, 2021.	Cooperation with other CUD initiated but not completed.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Utilities serving the area of the USP	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Telephone, cable providers or other ISPs	Consolidated Communications Enterprise Services, Inc.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Other entities	

### 5.2 Resiliency and Redundancy

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project detail steps taken to provide resiliency and redundancy?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does it provide interconnection locations?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does it comply with Outside Plant Requirements?</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>

### 5.3 Incidental Overbuild

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project detail incidental overbuild locations?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Included percentage of addresses to be served that already have access to speeds of at least 25/3</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Is the proposed incidental overbuild addresses less than 20% of the total number of addresses passed?</i>	N/A

### 5.4 Sustainability

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project detail how it plans to fulfil its USP within the required timeframe?</i>	<i>Phase 2 timeline provided and high level details for other phases provided.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project describe how this grant is consistent with their existing business plan</i>	

### 5.5 Affordability

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Will the applicant be participating in the Communications Commission’s Affordable Connectivity Program (ACP)</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Will the applicant provide access to a broad-based affordability program to low-income consumers commensurate with those provided under the ACP?</i>	<i>1_OCCUD Business Plan</i>

### 5.6 Technical and Security Approach

<i>Does the project include or consider the following?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Network operation, including tools or techniques in a manner that ensures reliable communications</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>How to assess operational performance of the network and use the gathered information to optimize the network and services</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of the information exchange interfaces for communicating devices</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how the project will provide openly available and proprietary aspects of the interface specifications and how legacy devices and systems will be integrated into the project.</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how response to failure and device upgrade scenarios will be handled so that overall system impact is mitigated</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how the project will support compatibility with cyber security framework and protocols</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of cyber security risks and how they will be mitigated (Focused on vulnerabilities and impact)</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of the cyber security criteria utilized for vendor and device selection</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of relevant cyber security standards or best practices</i>	<i>1_OCCUD Form Responses_07-31-2023</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how emerging security standards will be supported</i>	<i>1_OCCUD Form Responses_07-31-2023</i>



6. Attachments

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Act 71 compliant business plan</i>	<i>1_OCCUD Business Plan</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Letters of support including letters of support from municipality to be served if applicant is a non-CUD applicant.</i>	<i>Letters of Support not provided.</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Documentation of commitment of community matching funds</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the letter state the amount of funds and detail the intended use of the funds in support of the project? *Act 71 Construction Program RFP P4 Funding Available, Section 2</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Response to service quality complaints</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Operating agreements and other partnership agreements</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>USP Map</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Link to GIS shapefile</i>	<i>KMZ files provided</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Accompanying spreadsheet showing addresses, E-Site IDs, current level of service and expected service date</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Request for confidentiality memo</i>	

### ACT 71 Compliant Business Plan

*\*Act 71 Construction Program RFP P2 Definitions and Explanations*

General

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Were the business plans produced via a PSD Broadband Innovation Grant?</i>	<i>No indication</i>
		<i>Who produced the business plan?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Has it been independently signed off on by a financial institution?</i>	<i>CCI Form 10k included</i>

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Has it been updated since?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the business plan include a Universal service plan?</i>	

Required Data

Does the business plan include the following?			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>High level engineering and design plans</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Market analysis</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Take rate assumptions</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Cash flow positive date</i>	<i>Partnership with CCI</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Loan payoff date</i>	<i>No loan</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Financing Models</i>	<i>CCI included their 10K information.</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Pro forma financial projections</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Estimated construction costs</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Ideal operational models</i>	<i>CCI will operate and maintain the network</i>

Risk Evaluation

Does the business plan evaluate the following risks?			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Labor needs and availability</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Supply chain contingencies</i>	<i>1_OCCUD Business Plan</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Make ready work</i>	<i>1_OCCUD Business Plan</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Other relevant operational expenses</i>	<i>1_OCCUD Business Plan</i>

Project Prioritization

<i>*Act 71 Construction Program RFP P8 Definitions and Explanations</i>			
<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project leverage existing resources and assets?</i>	<i>The CCI network is being leveraged</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the applicant demonstrate project readiness and have community support?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project support low-income or disadvantaged communities?</i>	<i>CCI offers ACP and OCCUD will help promote adoption</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project promote geographic diversity of fund allocations?</i>	<i>The funds being requested are to be used for Phase 2 only</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project provide consumers with affordable service options and/or commit to participate in a program that supports low-income consumers?</i>	<i>ACP</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Does the project include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project provide a network design that is scalable, addresses redundancy and will result in high reliability and resiliency?</i>	

OSP Design Requirements

*VCBB Outside Plant Design Requirements*

Part 1

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes:</b> <i>some items are not applicable based on approved modified OSP requirements</i>
<i>Does the design include standards that cover the following:</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Fiber sparing and reservation recommendations</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>

<input type="checkbox"/>	<input type="checkbox"/>	<i>No less than 3 tubes of spares between hubs</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>1 spare tube between the OLT and splitter</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Included loss budgets</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Accountability for future / unplanned growth including public safety and wireless</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>No middle-mile cable size less than 48F</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Power supply and back up requirements for active locations</i>	<i>Details provided in spreadsheet labeled "OSP Requirements Notes".</i>

Part 2

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Pre-assigned PON splitter and OLT port for every identified E-911 address</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Estimated drop distances and routes for demand points</i>	<i>Not applicable at this stage</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>Slack budgets and identification of slack points</i>	<i>Not applicable at this stage</i>

Part 3

<b>Prior to Closeout Design Deliverables</b>			
			<b>Notes:</b> <i>some items are not applicable based on approved modified OSP requirements</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>Detailed planned optical loss calculations</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Loss testing results in accordance with ANSI/TIA/EIA 526-7</i>	<i>Loss figures used for budget calculations are detailed in the attached "OSP Requirements Notes" document.</i>

Part 4

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<input type="checkbox"/>	<input type="checkbox"/>	<i>Prior to closeout splice diagrams in GIS format</i>	<i>Not applicable at this stage</i>
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Part 5

<i>Recommended integration locations that consider the following:</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Geographic redundance</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Connections with adjacent CUD networks</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Connections with private networks</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Future redundancy options</i>	

Part 6

<i>Prior to close-out design mapping deliverables: Not applicable at this stage</i>			
<input type="checkbox"/>	<input type="checkbox"/>	<i>Online and downloadable field engineering data</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Online and downloadable detailed construction maps</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Bills of materials linked to locations</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>GIS network diagram that reflects what was built out</i>	

Part 7

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Equipment and materials must comply with the domestic content requirements of the American Rescue Plan Act</i>	<i>Consolidated currently abides by federal requirements for other federally funded programs and will meet the domestic content requirements for this grant as interpreted by VCBB. If VCBB provides a list of specific criteria they have used with other CUD's or more generally with regards to this requirement we can provide more detailed information.</i>

**ACT 71 Construction Grant Review Sheet – Otter Creek 081423**

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**SUMMARY SHEET**

**PLAN**

**Total Estimated Cost of Universal Service Plan: \$19.0 M**

**Total Miles Required: 474**

**Cost/mile = \$40,084**

**Total # of passings: 5412**

**Total # of eligible addresses: 2920**

**PROJECT**

**Cost of proposed project (amount of grant): \$9,952,273**

**Miles to be constructed: 356**

**Grant Cost/mile: \$27,956**

**Total # of passings: 4135**

**Total # of eligible addresses: 2316**

**Total Addresses served: N/A Fidium assumes risk**

**Overall Take rate assumption: N/A Fidium assumes risk**

**Towns with addresses to be served this phase: Benson, Brandon, Castleton,  
Chittenden, Fair Haven, Goshen, Hubbardton, Pawlet, Pittsford, Poultney,  
Sudbury, Wells, West Haven**

**Public Ownership: No**

**CHECKLIST**

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**Business Plan**

*Note: The business plan is a stand-alone document. Do not refer to documents elsewhere.*

**Is the Plan Act 71 Compliant? (PASS/FAIL)**

**Does the business plan include a Universal Service Plan? \_X\_Yes \_No**

**Does the business plan include the following?**

High-level design plans  Yes  No  Conversion of Existing Network  
 Market analysis  Yes  No  N/A  Existing ISP  
 Take-rate assumptions  Yes  No  N/A    
 Cash flow positive date (as relevant)  Yes  No  Not Applicable  
 Expected loan payoff date(s)  Yes  No  Not Applicable  
 Financing models  Yes  No  Not Applicable  
 Pro forma financial projections  Yes  No  Not Applicable  
 Estimated construction costs  Yes  No  
 Ideal operational models  Yes  No  Existing Model

**Does the Business Plan evaluate the following risks:**

Labor needs and availability  Yes  No  
 Supply-chain contingencies for equipment and materials  Yes  No  
 Make-ready work  Yes  No  
 Additional other relevant capital and operational expenses.  Yes  No  
 Contract management including safety/house-keeping  Yes  No  Existing Record

**What is expected for a HLD?** A high-level design consists of a route map. Addresses passed and interconnection points for backhaul. The HLD should also show the planned phases of construction. We understand that these phases may adjust over time.

High Level Design Route Map

- Proposed Construction Phases
- OLT/Distribution Areas (DA)
- Span Routes
  - o Backbone Route (that can be part of the span route)
- Passings by Type – (underserved or served/ not on grid)
  - o ESite ID, E911 Address, Current level of Service, Phase
- Interconnection Points for Backhaul
  - o Location

**What is necessary for the spreadsheet:** All addresses in the plan with the current level of service. Must include ESite ID, E911 address, Phase

**Overview:**

Provided an estimated cost for Universal Service Plan:  Yes  No  
 Provided cost breakdown for proposal project within that plan:  Yes  No  
 Community Match:  Yes  No  How much? \$  
 Estimate Ratio of VCBB funding to other funding – Universal Service Plan - (Goal – minimum 60/40 for private)  52/48   
 Grant Cost per passing (this amendment) to be constructed or upgraded for addresses included Universal Service Plan: \$2407  
 Certification of Acceptance of Conditions:  Yes  No  
 Provided list of subcontracts:  Yes  No  Not Applicable



Act 71 Compliant Business Plan:  Yes  No

**Universal Service Plan: (PASS/FAIL)**

Demographics of community:  Yes  No

Map showing the phases of the universal service plan:  Yes  No

Who owns the infrastructure  public  private

Does the applicant account for all underserved addresses?  Yes  No

Will they serve them all directly?  Yes  No

If not, did they include letters of commitment or other supporting materials for the remaining addresses?  Yes  No

Will all addresses in a community be served via this proposal?  Yes  No

Are there other funding sources?  Not Applicable

Evidence of Community Engagement and Support?  Yes  No

**Project Description**

Narrative and map showing the project proposed for funding. The map should show the route and current level of wireline service at each address (showing cable lines or fiber lines is acceptable) to be served in the phase to be funded with this grant proposal.

Retail Price:  \$85 250/250;  \$55 50/50 Concerns?  None

Reasonably detailed budget:  Yes  No

Plan for monitoring the network:  Yes  No

Spreadsheet detailing all locations (ESite ID, E911 Address, Current level of Service, Phase (if applicable), and overbuild rationale for any addresses currently served.  Yes  No  Not Applicable

**Act 71 Criteria**

Evidence of collaboration?  Yes  No

Steps to address resiliency and ensure redundancy?  Yes  No

Is the project designed to provide service to unserved and underserved? Incidental overbuild is at or under 20% and the proposal passes the overbuild “tests” -  Yes  No

Sustainability – If more than a single phase, does the business plan support achieving universal service?  Yes  No

Affordability – Has the applicant certified it is participating in the Affordable Connectivity Program or the equivalent?  Yes  No

Technical and Security Approach  Yes  No

**Attachments:**

Act 71 Compliant Business Plan  Yes  No

Letters of Support  Yes  No

Documentation of Community Match  Yes  No  Not applicable

Response to Service Quality Complaints:  Yes  No  Not applicable

Operating agreements:  Yes  No Term sheet

Maps, Spreadsheets and High-Level Network Design:  Yes  No



Vermont Community Broadband Board  
112 State Street  
Montpelier, VT 05620-2601

Dear Vermont Community Broadband Board,

On behalf of the Otter Creek Communications Union District (OCCUD), I am writing to propose an amendment to the previously awarded Broadband Preconstruction Grant. As the OCCUD reviews our initial request from June 2022, the need for support for our preconstruction activities and the provision of funding for additional needs have been identified. The team has made substantial progress over the past year, and we intend to submit an application for the Act 71 Broadband Construction Grant for the VCBB August 2023 meeting, with construction scheduled to begin in 2024. In the past few months of 2023, we determined that we need professional leadership for the organization going forward. Thus, we are including costs for a part-time executive director in our budget. We also recognize a need for construction services during the construction season in 2024. Thus, the proposed additions and changes are aimed at fulfilling these needs of the H360 Preconstruction Grant (Sept 2023 through Dec 2025). Otter Creek CUD anticipates seeking an additional amendment at the end of 2025 to fund the CUD during the construction year 2026, or possibly sooner if construction funding is made available and our partner-provider is able to accelerate construction to occur in 2025.

This request includes additional funding for the following:

<ul style="list-style-type: none"> <li>• Staff Salary &amp; Benefits</li> <li>• Operational Expenses</li> <li>• Project Management</li> <li>• Construction Services</li> <li>• Legal Services</li> <li>• Audit</li> </ul>	<ul style="list-style-type: none"> <li>• Make Ready &amp; Pole Application/Engineering Design</li> <li>• Accounting</li> <li>• Association Fees/Membership</li> <li>• Events/Conferences</li> <li>• Contingency</li> </ul>
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**Remaining Preconstruction OCCUD Allocation: \$1,683,585.67**

**Total Current Request: \$1,314,650**

Sincerely,

Laura Black  
Chair  
Otter Creek Communications Union District



**Amended Budget**

<b>Account</b>	<b>Request</b>
Staff Salary & Benefits (ie. Exec Director salary & bene.)	\$221,700
Operational Expenses	\$20,000
Project Management	\$312,000
Construction Services	\$250,000
Legal Services	\$50,000
Audit	\$18,000
Make Ready & Pole Application/Engineering Design	\$360,000
Accounting	\$20,000
Association Fees/Membership	\$24,000
Events & Conferences	\$10,000
Contingency (2%)	\$28,950

**Budget Notes:**

**Requested Budget scheduled for 28 months (Sept '23 – Dec '25)**

**Category changes to better align with OCCUD Annual Budget**

**Additional Requests**

**Staff Salary & Benefits**

- Executive Director: Manage and advise OCCUD in its relations with partner-provider, and contractors such as the construction engineer. Assist and manage communication with VCBB. Provide communications and responses to all public inquiries (CUD town residents, state representatives, press, etc.), manage alignment with VCBB policies and contractual agreement with our partner-provider. Provide leadership in terms of the CUD’s public outreach and messaging. Seek funding including the potential BEAD funds for the completion of the Otter Creek CUD fiber build-out. Develop funding resources and management structure for the Otter Creek CUD to continue its mission beyond the end of the fiber network construction.



### **Operational Expenses**

- Necessary organizational expenses including: website, google accounts, insurance, PO Box, bank fees, marketing and advertising, and other general expenses.

### **Project Management**

- Contracted with Vantage Point Solutions to actively manage project-level activities, collaborate with partners, manage existing and future grants and file all required reporting, and other duties as assigned.

### **Construction Services**

- Construction Engineer: Assist and oversee the work of our proposed partner, ensuring accuracy and efficiency in all aspects of the network build-out and adherence to safety standards by line crew in the field. Additional scope to be clarified by the Executive Director.

### **Legal Services**

- Legal services include, but are not limited to, contract review, drafting, and compliance work to manage risk and ensure operations are carried out lawfully.

### **Audit**

- Conduct an audit to ensure OCCUD's accuracy and adherence to accounting and grant standards and regulations.

### **Make Ready & Pole Application/Engineering Design**

- Assist potential partner in:
  - Make Ready Work: Preparing utility poles for the new fiber installation
  - Pole Application: Applying for and obtaining the necessary permits and approvals to install, replace, or modify utility poles as part of the fiber installation.
  - Engineering Design: Designing network which can include routing, equipment use, planning for potential obstacles or challenges, and ensuring that the design meets all relevant regulations and standards.

### **Accounting**

- Contracted with Seward & Associates, PLC to pay all invoices and future payroll. Also aids in assisting Project Manager with providing financials for reports.



### **Association Fees/Membership**

- VCUDA & Fiber Broadband Association

### **Events & Conferences**

- Training and broadband conferences for CUD members and employees to grow public awareness and knowledge

### **Contingency**

- 2% of the budget set aside as a reserve of funds set aside to cover unexpected costs or financial risk that might arise during the course of the project.

Below are sections from OCCUD's previous H360 Pre-construction Grant Application (highlighted are the sections for which we are submitting amendment. Amendment follows in bold font.):

#### Section 1: Background and Capacity (page2)

The OCCUD does not currently have any plans to hire employees. It does currently work with the following contractors:

- AO Consulting LLC: Project Management, Amanda O'Connor
- Seward and Associates: Accounting, Charlene Seward
- Primmer Piper Eggleston & Cramer: Legal, Elijah Emmerson

Key board members include the OCCUD Chair Anthony Ferraro, Secretary Jessica Van Oort, Treasurer Jackie Savela, and additional Executive Committee members Larry Courcelle, Tim Munks, Bill Moore, Andrew Quint, John Hill, and Chris Custer.

#### **Amendment:**

**The OCCUD intends to hire an executive director either on a part-time basis or possibly a shared salary with Lamoille CUD.**

- **AO Consulting is no longer providing Project management services.**
- **Vantage Point Solutions provides Project Management services.**

**Current key board members are as follows: OCCUD Chair Laura Black, Vice-Chair Larry Courcelle, Secretary Eleanor Jones, Treasurer Jackie Savela, and additional Executive Committee members, Mike Small, John Hill, Peter Werner, and Chris Custer.**



### Section 3: Strategy and Proposed Activities

#### *b. Anticipated Needs*

To support the OCCUD with its goals and strategy over the next **18 months**, it has and will need to retain the expertise and services such as:

- a full time project manager
  - OCCUD anticipates needing a full-time project manager as construction ramps up. It currently is contracted with a project manager for part time services. Having gone through an RFP process to identify a contractor for these services, OCCUD found that contractors providing project manager services have a potential fee range of \$120 to \$200 per hour. Estimating at the rate of \$120 per hour for full time work over **18 months** results in a potential cost of \$318,240. A project manager ensures that the CUD pushes forward towards its goal of universal high speed internet access for member towns by applying for funding, managing grants, overseeing reporting, coordinating meetings, updating website content, document management, town and partnership management, and pulling together any resources or parties necessary to drive work towards completion.  
**Amend – to 28 months but part-time services**
- legal services
  - Throughout all of this process, concerted need for legal presence will be in demand. This involves a substantial investment. The investment in legal services is undoubtedly absolutely necessary and having the funds available to pay for it if necessary as well. An estimated cost of \$11,000 was provided by Primmer Piper Eggleston & Cramer in 2021 for needs such as this, which was anticipated to last for 6 months. Taking this historical estimate combined with the recent expense the CUD incurred to have two RFPs given a legal review as a means to gauge current costs and applying it to an **18 month** timeframe, OCCUD estimates a potential need for \$50,000 in possible legal expenses.  
**Amend – to 28 months. Reduced services needs as contract negotiations with partner-provider are completed.**
- an accountant
  - OCCUD currently has an accountant contracted for a monthly fee of \$695. These services are a critical support for fiscal oversight and management. Should the same business and rate be retained for **18 months**, this cost would be \$12,510.  
**Amend – to 28 months of services.**
- technical support for its website
  - Technical support and hosting fees for OCCUD’s website are \$1,200 a year. As such there would be a \$2,400 expense over the next **18 months**.  
**Amend – website services include in Operational expenses.**



- strategic support for its partnership development
  - When negotiations and discussions of potential contracts such as a likely PPP begin, the OCCUD must also have experts in the field alongside them. Bringing on a consultant that has that expertise and experience to shepherd the organizational formation and contract development is critical as that expertise does not currently exist in the volunteer board base that is working to get the CUD up and running. To this end, the OCCUD received a proposal of services from CTC Consulting – a consultant who has experience and expertise working not only in this field but also in Vermont. This proposal and cost estimate was received in 2021 as part of OCCUD’s H315 grant application.. CTC would be providing support to include:
    - Evaluation of public private partnership proposals and business terms (technical and business parameters).
    - Negotiation of one or more definitive public private partnership agreements
    - Additional business planning or financial modeling as needed.
    - CTC’s experience in Vermont both with the State as well as with individual CUD’s would greatly supported a business outcome that is informed by and connected to state level work and that of other CUD’s. They provided a proposal with a blended rate of \$180/hr. The OCCUD estimates a potential need of 200 hours of support, resulting in the estimated cost of \$36,000.

**Amendment: OCCUD did not seek or enter into a contract with CTC Consulting. However, we have recognized that we should have professional guidance, most likely in the form of an executive director. Therefore, the salary for a part-time executive director is now added to our budget.**

**The OCCUD also has determined that an independent third-party construction engineer should be hired by the OCCUD to oversee and report on the construction progress of our partner. Therefore, the cost of a full-time construction engineer for construction inspection, field verification, and reporting is now added to our budget.**



Funding will additionally be needed expenses such as Google voice, Zoom, Front Porch Forum, cost of insurance, banking fees, and **estimated annual VCUDA fees**. These fees can be broken down as depicted in the table below:

Operational Expenses		
Google Voice	\$12/mo	\$216.00
Google LLC	\$12/mo	\$1,080.00
Zoom	\$150/yr	\$300.00
Bank	\$3/mo	\$54.00
Insurance	\$600/yr	\$1,200.00
VCUDA	\$9500/yr	\$19,000.00
		\$21,850.00

These fees allow for communication services from email, to phone, to virtual meetings as well as document management. Additionally, there is the expense of **VCUDA annual fees at an annual cost of \$10,597.**

**Amendment: VCUDA fees have increased.**

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**Based on the current guidance of OCCUD’s business plan, should OCCUD partner with an Incumbent Local Exchange Carrier additional preconstruction expenses such as make-ready and detailed engineering will be avoided.** As such, of the \$1,705,133 that has been allocated to possible preconstruction costs for an OCCUD buildout and with the information OCCUD currently has available, \$421,936 is the total anticipated preconstruction cost anticipated over the next 18 months.

**Amendment: OCCUD has partnered with an ILEC of only part of the CUD territory. A large portion of the CUD’s territory is however outside of the partner’s LEC territory, making costs for make-ready and pole licensing more costly and thus increasing the project’s pre-construction expenses.**

**As well, we now understand that the costs of pre-construction, which we were previously budgeting into our construction grant application, may be paid for in the pre-construction fund. Thus, we have re-allocated some of the engineering design costs and other make-ready costs to this pre-construction budget.**

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# ctc technology & energy

engineering & business consulting

To: Alissa Matthews, *Special Projects and Implementation Manager*  
Vermont Community Broadband Board  
Lucy Rogers, *Rural Broadband Technical Assistance Specialist*

From: Teles Fremin, P.E., *Deputy Chief Technology Officer*

Re: Evaluation of business plan from ECFiber

Date: August 8, 2023

At the request of the Board, CTC has provided a review of the business plan and additional documentation provided by East Central Vermont Telecommunications District (ECFiber). Based on our review, ECFiber's construction grant application meets the specifications put forth in the Board's Application Requirements.

ECFiber currently provides services to 23 of its original member towns<sup>1</sup>. ECFiber is proposing to extend its fiber-to-the-premises deployment to its eight new member towns<sup>2</sup> as well as associated border areas. ECFiber's extension will consist of 543 miles of fiber that would connect approximately 8,156 addresses—3,457 of which are unserved and underserved—over nine stages. ECFiber anticipates completing stages one through eight by the end of 2024. Stage nine, consisting of only 3 eligible locations, would be complete by the end of 2025. The total costs for the nine stages are \$30,422,376, or \$8,800 per un/underserved passing.

ECFiber has an existing partnership with GWI Vermont, LLC (GWI) for design, build, and operations of the ECFiber network. The partnership with GWI will expand to include the newly added nine stages of the ECFiber network extension. ECFiber has been cash flow positive for more than five years, funding operations and bond payments solely through revenue. With the

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<sup>1</sup> Original Member towns include Bernard, Bethel, Braintree, Brookfield, Chelsea, Granville, Hancock, Hartford, Norwich, Pittsfield, Pomfret, Randolph, Reading, Rochester, Royalton, Sharon, Stockbridge, Stafford, Thetford, Tunbridge, Vershire, West Windsor, and Woodstock

<sup>2</sup> Eight new towns include Bradford, Corinth, Fairlee, Newbury, Topsham, Washington, West Fairlee, and Windsor

projections including the new member towns, ECFiber remains cash flow positive covering both operations and increased bond payments.

ECFiber's grant application is for \$30,422,376 with a match from ECFiber of \$17,194,719 million, consisting of \$2,194,719 million from its operations surplus and \$15 million from additional bonds. ECFiber is requesting the remaining \$13,227,657 from VCBB, or \$3,826 per un/underserved passings. ECFiber commits to providing universal service to all stages in the application by the end of 2025.

CTC submitted several questions and conducted additional discussions with ECFiber to further clarify portions of the application specifically focused on outside plant (OSP) design standards and redundancy. ECFiber provided all necessary details and all requirements were met. Attached is the checklist used to evaluate the application, business plan, and network design.

## Attachment A: Application review checklist

# State of Vermont Act 71 Application Review Checklist

Applicant: ECFiber

### Eligibility

*\*Act 71 Construction Program RFP "Eligible Provider"*

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is the applicant a Communications Union District?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant a small communications carrier?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant an Internet Service Provider working with a CUD?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the applicant a Municipality?	

### Required Documents

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Business Plan Included?	ECFiber Business Plan 2023-07-23.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Universal Service Plan Included?	ECFiber Business Plan 2023-07-23.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Maps / KMZ files included?	KMZ files submitted upon additional request
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Subcontract(s) if applicable	ECFiber Contracts.zip
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transmittal letter	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Applicant Certification	VCBB__Applicant Attestation_ECFiber Construction Grant Signed.pdf

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Other necessary documents</i>	
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## Proposal Details

*\*Act 71 Construction Program RFP P14 "Step 2: Full Proposal (By invitation Only)*

### 1. Transmittal Letter and Proposal Overview

Y	N	Question	Notes
<i>Does the transmittal letter and proposal overview contain the following information:</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Full contact information for the applicant and any collaborators?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Preferred Application Process</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Total Estimated Cost to Complete the Universal Service Plan</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>"Estimated Cost" for the Universal Service Plan project to be completed in the next 24 months (or in a 24-month period)</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Community matched funds or other funds to be contributed to the project</i>	<i>No community match but ECFiber will provide match funds</i>

### 2. Applicant Certification

Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant certified in writing all conditions contained in the construction program RFP?</i>	<i>VCBB__Applicant Attestation_ECFiber Construction Grant Signed.pdf</i>
<b>General Information</b>			
Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the applicant intend to use subcontractors?</i>	<i>GWl is the primary operator. GWl employs various subcontractors to complete their responsibilities</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are the subcontractor terms included?</i>	<i>Agreements with GWl and the previous agreement with Valley Net which GWl assumed are included</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there copies of the subcontract(s) included with the proposal?</i>	<i>ECFiber Contracts.zip</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is there an attached ACT 71 compliant business plan?</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there supporting documents for the business plan?</i>	

### 3. Universal Service Plan

#### 3.1 Proposed Universal Service Plan

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the application contain a proposed Universal Service Plan?</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant detailed the area(s) in which they propose to provide universal service per the requirements in the RFP?</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf ECFiber_Form Responses_Updated_080723.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant provided a map showing the current coverage in the proposed USP and the total number of qualifying locations?</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf document Map of total area on P10 of ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Has the applicant described who will own the resulting infrastructure?</i>	<i>EC Fiber will be the owner</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are any of the planned service areas members of a CUD?</i>	<i>Some of the service areas border CV fiber and NEK service areas. EC Fiber has an agreement to service these areas jointly to ensure universal service</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>If so, has the applicant provided a letter of support from the district and documentation explaining the relationship?</i>	<i>letter of support from CV fiber or NEK however the applicants also discussed in the associated CUD applications</i>

#### 3.2 Universal Service Plan

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the USP provide 100/100 Mbps service to all qualified locations?</i>	<i>Service offerings range from 75 Mbps to 1Gbps</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is the applicant serving all locations directly?</i>	

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>If yes, have they presented a phased approach for serving all locations?</i>	<i>9 phases by the end of 2025 1_ECFiber Network Completion Budget and Timeline.xlsx</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>If not, have they explained how the qualified locations will be served broadband service?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>If yes, is there an included timeline showing each phase?</i>	<i>1_ECFiber Network Completion Budget and Timeline.xlsx</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Have they provided an overview of obstacles?</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Are there any commitment letters from other providers?</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Is this a joint application?</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Is there a timeline for achieving universal service?</i>	<i>1_ECFiber Network Completion Budget and Timeline.xlsx</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there any attached documents supporting the applicant's commitment to universal service?</i>	<i>ECFiber_Form Responses_Updated.pf</i>

### 3.3 Estimated Total Cost to Serve

Has the applicant provided the following information?			
Y	N	Question	Notes
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Total cost estimate for serving all qualified locations encompassed by the USP</i>	<i>\$30,422,376</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>The number of such locations</i>	<i>32,647 in full area, but 8,156 or 3,457 eligible locations within this application</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A description of how the estimate was derived and factors that will influence the final cost</i>	<i>ECFiber Business Plan 2023-07-23.pdf 1_ECFiber Network Completion Budget and Timeline.xlsx</i>

### 3.4 Other Funding Sources

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Are there details of known or reasonably anticipated additional financial support to the USP</i>	<i>Bonds, operating surplus funds</i>
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### 3.5 Community Engagement

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Detail of efforts to engage the local municipality or area subject to the grant proposal</i>	<i>1_EC Fiber_Form Responses 07-25-2023.pdf</i>

### 4. Project Description

Y	N	Question	Notes
Does the project description contain the following information?			

#### 4.1 Eligible Locations to be Served

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>All eligible locations to be served.</i>	<i>ECFiber location data.xls</i>

#### 4.2 Not to Exceed or Estimated Price

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Not to exceed price or estimated price for the project</i>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Phased price estimate (Phased projects only)</i>	<i>1_EC Fiber Network Completion Budget and Timeline.xlsx</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Figure specifies if drops are included or not in the price</i>	<i>Aerial drops are not included 1_EC Fiber Network Completion Budget and Timeline.xlsx</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Amount dedicated to drops is consistent with feasibility plan</i>	<i>EC Fiber is paying for drops out of their own operating budget</i>

### 4.3 Timeline

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Detailed timeline for this project and additional phases of the USP	1_EC Fiber Network Completion Budget and Timeline.xlsx

### 4.4 Retail Pricing

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is there a list of determined pricing?	ECFiber Business Plan 2023-07-23.pdf (p9)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	If yes, is there a list of all proposed retail prices for service including additional fees (such as equipment rentals)	
<input type="checkbox"/>	<input type="checkbox"/>	If no, is there detail on how pricing will be determined and demonstrate how the network will be self-sufficient?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Does the applicant currently provide symmetrical services to other areas at a lower rate?	
<input type="checkbox"/>	<input type="checkbox"/>	If so, is there an explanation of the price difference?	

### 4.5 Additional Services

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Description of additional services	VOIP and Internet services only ECFiber Business Plan 2023-07-23.pdf

### 4.6 Detailed Project Budget

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has the applicant provided a detailed project budget outlining line-item estimates for each activity?	

### 4.7 Network Performance and Monitoring

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Plan for network performance and monitoring to identify congestion, maximize throughput and improve network performance.	1_EC Fiber Form Responses 07-25-2023.pdf



#### 4.8 Other Information

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Any other relevant information included demonstrating the technical, financial, and economic feasibility of the project and qualifications of the project team.	ECFiber Business Plan 2023-07-23.pdf

#### 5. Act 71 Considerations

Y	N	Question	Notes

#### 5.1 Collaboration and Coordination

<i>Does this project include collaboration with any of the following?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other CUDs or municipalities that were not part of a CUD on June 1, 2021.	Cooperation with CV fiber and NEK in areas of joint district membership
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Utilities serving the area of the USP	EC Fiber is working closely with the local utilities to facilitate and help expedite make-ready
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Telephone, cable providers or other ISPs	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Other entities	

#### 5.2 Resiliency and Redundancy

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project detail steps taken to provide resiliency and redundancy?	Technical Illustrations.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does it provide interconnection locations?	KMZ provided shows the backbone and connectivity between hubsites
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does it comply with Outside Plant Requirements?	Technical Notes on Stage 1 Design.pdf

### 5.3 Incidental Overbuild

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project detail incidental overbuild locations?	Incidental overbuild locations are identified only for the two area maps that are provided.
<input type="checkbox"/>	<input type="checkbox"/>	Included percentage of addresses to be served that already have access to speeds of at least 25/3	Not applicable
<input type="checkbox"/>	<input type="checkbox"/>	Is the proposed incidental overbuild addresses less than 20% of the total number of addresses passed?	Not applicable with updated incidental overbuild policy

### 5.4 Sustainability

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project detail how it plans to fulfil its USP within the required timeframe?	The business plan talks about USP and there is an included timeline
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project describe how this grant is consistent with their existing business plan	ECFiber Business Plan 2023-07-23.pdf 1_ECFiber_Form Responses 07-25-2023.pdf (and updated submitted)

### 5.5 Affordability

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Will the applicant be participating in the Communications Commission’s Affordable Connectivity Program (ACP)	ECFiber Business Plan 2023-07-23.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Will the applicant provide access to a broad-based affordability program to low-income consumers commensurate with those provided under the ACP?	ECFiber Business Plan 2023-07-23.pdf

### 5.6 Technical and Security Approach

<i>Does the project include or consider the following?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Network operation, including tools or techniques in a manner that ensures reliable communications	ECFiber Business Plan 2023-07-23.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	How to assess operational performance of the network and use the gathered information to optimize the network and services	1_ECFiber_Form Responses 07-25-2023.pdf

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of the information exchange interfaces for communicating devices</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf This document simply states "Our systems use standard methodologies for intercommunication". Additional information provided in Technical Notes on Stage1 Design.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how the project will provide openly available and proprietary aspects of the interface specifications and how legacy devices and systems will be integrated into the project.</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how response to failure and device upgrade scenarios will be handled so that overall system impact is mitigated</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how the project will support compatibility with cyber security framework and protocols</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of cyber security risks and how they will be mitigated (Focused on vulnerabilities and impact)</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of the cyber security criteria utilized for vendor and device selection</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of relevant cyber security standards or best practices</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>A summary of how emerging security standards will be supported</i>	<i>1_ECFiber_Form Responses 07-25-2023.pdf</i>

6. Attachments

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Act 71 compliant business plan</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Letters of support including letters of support from municipality to be served if applicant is a non-CUD applicant.</i>	<i>No letters of support provided</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Documentation of commitment of community matching funds</i>	<i>N/A There are no community matched funds</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the letter state the amount of funds and detail the intended use of the funds in support of the project? *Act 71 Construction Program RFP P4 Funding Available, Section 2</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Response to service quality complaints</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Operating agreements and other partnership agreements</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>USP Map</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Link to GIS shapefile</i>	<i>KMZ provided</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Accompanying spreadsheet showing addresses, E-Site IDs, current level of service and expected service date</i>	<i>ECFiber Location Data.xlsx Only lists addresses in the applied for areas.</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Request for confidentiality memo</i>	<i>Not included; some documents label confidential</i>

## ACT 71 Compliant Business Plan

*\*Act 71 Construction Program RFP P2 Definitions and Explanations*

### General

<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Were the business plans produced via a PSD Broadband Innovation Grant?</i>	<i>No indication</i>
		<i>Who produced the business plan?</i>	<i>No indication as to who prepared the business plan</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Has it been independently signed off on by a financial institution?</i>	<i>No indication; audited financials were referenced along with link</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Has it been updated since?</i>	<i>No indication</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the business plan include a Universal service plan?</i>	<i>The business plan is the USP</i>

### Required Data

<b>Does the business plan include the following?</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>High level engineering and design plans</i>	<i>The plan does have a high level design but only for the areas that are under construction and the two designed areas; KMZs were provided as well</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Market analysis</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Take rate assumptions</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Cash flow positive date</i>	<i>ECFiber achieved cash flow positive in 2017/2018</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Loan payoff date</i>	<i>Payoff date not included but projected financials show bond payments are made annually</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Financing Models</i>	<i>Updated Financial Projections</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Pro forma financial projections</i>	<i>Updated Financial Projections</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Estimated construction costs</i>	<i>1_ECFiber Network Completion Budget and Timeline.xlsx</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Ideal operational models</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>

Risk Evaluation

<i>Does the business plan evaluate the following risks?</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Labor needs and availability</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Supply chain contingencies</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Make ready work</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Other relevant operational expenses</i>	<i>ECFiber Business Plan 2023-07-23.pdf</i>

Project Prioritization

<i>*Act 71 Construction Program RFP P8 Definitions and Explanations</i>			
<b>Y</b>	<b>N</b>	<b>Question</b>	<b>Notes</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the project leverage existing resources and assets?</i>	<i>ECFiber Business Plan 2023-07-23.pdf EC Fiber is an established ISP and this project is treated as an expansion of their existing network.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Does the applicant demonstrate project readiness and have community support?</i>	

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project support low-income or disadvantaged communities?	ECFiber Business Plan 2023-07-23.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project promote geographic diversity of fund allocations?	The funds being requested are to be used for stages 2, 3, & 4 which cover 5 different areas.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project provide consumers with affordable service options and/or commit to participate in a program that supports low-income consumers?	ECFiber Business Plan 2023-07-23.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project Include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes?	ECFiber Business Plan 2023-07-23.pdf Orange County Fiber Connector Other State of Vermont Dark Fiber
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project provide a network design that is scalable, addresses redundancy and will result in high reliability and resiliency?	FTTP network see technical details

## OSP Design Requirements

### VCBB Outside Plant Design Requirements

#### Part 1

Y	N	Question	Notes
<i>Does the design include standards that cover the following:</i>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fiber sparing and reservation recommendations	Technical Notes on Stage 1 Design.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	No less than 3 tubes of spares between hubs	Technical Notes on Stage 1 Design.pdf; followup – 24 fibers hub to hub only 4 fibers are used
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1 spare tube between the OLT and splitter	Technical Notes on Stage 1 Design.pdf
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Included loss budgets	Not included
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Accountability for future / unplanned growth including public safety and wireless	Technical Notes on Stage 1 Design.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	No middle-mile cable size less than 48F	Technical Notes on Stage 1 Design.pdf
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Power supply and back up requirements for active locations	Each hubsite will have a propane-fueled standby generator with a 200 gallon tank, owned by ECFiber, capable of running the hub without intervention for at least 72

Part 2

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Pre-assigned PON splitter and OLT port for every identified E-911 address</i>	<i>Technical Notes on Stage I Design.pdf</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Estimated drop distances and routes for demand points</i>	<i>Not provided as part of HLD</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Slack budgets and identification of slack points</i>	<i>Not provided as part of HLD</i>

Part 3

<b>Prior to Closeout Design Deliverables</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Detailed planned optical loss calculations</i>	<i>Not applicable in HLD</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Loss testing results in accordance with ANSI/TIA/EIA 526-7</i>	<i>Not applicable in HLD</i>

Part 4

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Prior to closeout splice diagrams in GIS format</i>	<i>Not provided as part of HLD; ECFiber does have FMS to support splice diagrams</i>

Part 5

<b>Recommended integration locations that consider the following:</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Geographic redundancy</i>	<i>ECFiber has redundancy to OLTs in network/KMZ</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Connections with adjacent CUD networks</i>	<i>No direct connection with other CUDs. Strands are reserved for future connections to NEK and CV Fiber</i>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Connections with private networks</i>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Future redundancy options</i>	<i>No direct connection with other CUDs. Strands are reserved for future connections to NEK and CV Fiber</i>

Part 6

<i>Prior to close-out design mapping deliverables: This is not applicable to this stage of the application</i>			
<input type="checkbox"/>	<input type="checkbox"/>	<i>Online and downloadable field engineering data</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Online and downloadable detailed construction maps</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>Bills of materials linked to locations</i>	
<input type="checkbox"/>	<input type="checkbox"/>	<i>GIS network diagram that reflects what was built out</i>	

Part 7

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Equipment and materials must comply with the domestic content requirements of the American Rescue Plan Act</i>	



**ACT 71 Construction Grant Review Sheet – ECFiber 081423**

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**SUMMARY SHEET**

**PLAN**

**Total Estimated Cost of Universal Service Plan: \$95.1 M**

**Total Miles Required: 2243**

**Cost/mile = \$42,401**

**Total # of passings: 33,156**

**Total # of eligible addresses: 21,457**

**PROJECT**

**Cost of proposed project (amount of grant): \$13,227,657**

**Miles to be constructed: 543**

**Grant Cost/mile: \$24,452**

**Total # of passings: 8156**

**Total # of eligible addresses: 3457**

**Total Addresses served: 1349**

**Overall Take rate assumption: 39%**

**Towns with addresses to be served this phase: BRADFORD • CORINTH • FAIRLEE  
• NEWBURY • TOPSHAM • WASHINGTON • WEST FAIRLEE • WINDSOR plus  
associated border areas**

**Public Ownership: Yes**

**CHECKLIST**

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**Business Plan**

*Note: The business plan is a stand-alone document. Do not refer to documents elsewhere.*

**Is the Plan Act 71 Compliant? (PASS/FAIL)**

**Does the business plan include a Universal Service Plan? \_X\_Yes \_No**

**Does the business plan include the following?**

High-level design plans  Yes  No  Conversion of Existing Network  
 Market analysis  Yes  No  N/A  Existing ISP  
 Take-rate assumptions  Yes  No  
 Cash flow positive date (as relevant)  Yes  No  Not Applicable  
 Expected loan payoff date(s)  Yes  No  Not Applicable  
 Financing models  Yes  No  Not Applicable (fully funded)  
 Pro forma financial projections  Yes  No  
 Estimated construction costs  Yes  No  
 Ideal operational models  Yes  No  Existing Model

**Does the Business Plan evaluate the following risks:**

Labor needs and availability  Yes  No  
 Supply-chain contingencies for equipment and materials  Yes  No  
 Make-ready work  Yes  No  
 Additional other relevant capital and operational expenses.  Yes  No  
 Contract management including safety/house-keeping  Yes  No  Existing Record

**What is expected for a HLD?** A high-level design consists of a route map. Addresses passed and interconnection points for backhaul. The HLD should also show the planned phases of construction. We understand that these phases may adjust over time.

High Level Design Route Map

- Proposed Construction Phases
- OLT/Distribution Areas (DA)
- Span Routes
  - o Backbone Route (that can be part of the span route)
- Passings by Type – (underserved or served/ not on grid)
  - o ESite ID, E911 Address, Current level of Service, Phase
- Interconnection Points for Backhaul
  - o Location

**What is necessary for the spreadsheet:** All addresses in the plan with the current level of service. Must include ESite ID, E911 address, Phase

**Overview:**

Provided an estimated cost for Universal Service Plan:  Yes  No  
 Provided cost breakdown for proposal project within that plan:  Yes  No  
 Community Match:  Yes  No  How much? \$\_\_\_\_\_

Estimate Ratio of VCBB funding to other funding – Universal Service Plan - (Goal – minimum 60/40 for private)  44/56

Grant Cost per passing (this amendment) to be constructed or upgraded for addresses included Universal Service Plan:  \$1,622

Certification of Acceptance of Conditions:  Yes  No  
 Provided list of subcontracts:  Yes  No

Act 71 Compliant Business Plan:  Yes  No

**Universal Service Plan: (PASS/FAIL)**

Demographics of community:  Yes  No

Map showing the phases of the universal service plan:  Yes  No

Who owns the infrastructure  public  private

Does the applicant account for all underserved addresses?  Yes  No

Will they serve them all directly?  Yes  No

If not, did they include letters of commitment or other supporting materials for the remaining addresses?  Yes  No

Will all addresses in a community be served via this proposal?  Yes  No

Are there other funding sources?  Town  Bonds  NTIA Grant

Evidence of Community Engagement and Support?  Yes  No

**Project Description**

Narrative and map showing the project proposed for funding. The map should show the route and current level of wireline service at each address (showing cable lines or fiber lines is acceptable) to be served in the phase to be funded with this grant proposal.

Retail Price: \_\_\_\_\_ \$104.00 \_\_\_\_\_ 100/100 \_\_\_\_\_ Concerns?  Yes – Cost is high in comparison to private carriers

Reasonably detailed budget:  Yes  No

Plan for monitoring the network:  Yes  No

Spreadsheet detailing all locations (ESite ID, E911 Address, Current level of Service, Phase (if applicable), and overbuild rationale for any addresses currently served.  Yes  No (Attachment)

**Act 71 Criteria**

Evidence of collaboration?  Yes  No

Steps to address resiliency and ensure redundancy?  Yes  No

Is the project designed to provide service to unserved and underserved? Incidental overbuild is at or under 20% and the proposal passes the overbuild “tests” -  Yes  No

Sustainability – If more than a single phase, does the business plan support achieving universal service?  Yes  No

Affordability – Has the applicant certified it is participating in the Affordable Connectivity Program or the equivalent?  Yes  No

Technical and Security Approach  Yes  No

**Attachments:**

Act 71 Compliant Business Plan  Yes  No

Letters of Support  Yes  No  (required for nonCUD)

Documentation of Community Match  Yes  No  Not applicable

Response to Service Quality Complaints:  Yes  No  Not applicable

Operating agreements: \_X\_Yes \_No \_Not applicable

Maps, Spreadsheets and High-Level Network Design: \_X\_Yes \_No

## **\$1,000,000 Needs Based Program to Boost the Ability of Sub-Applicants to Participate in BEAD**

The State of Vermont has been awarded \$229M in funding via the Broadband Equity Access & Deployment Program. To promote a competitive program, the Vermont Community Broadband Board has established the BEAD Subrecipient Support program. This program will provide needs-based grants from \$10,000-\$200,000 to applicants. Applicants may include municipalities, co-ops, for profits, non-profits, and other entities.

### **Goals**

- To ensure nontraditional and/or less established applicants have the ability to compete in the BEAD program
- To encourage collaboration among potential subgrantees to promote the efficient expenditure of grant funding. This can lower costs and promote great oversight and accountability.
- To encourage planning in expectation of the grant programs. This will raise the caliber of applications received.
- To gather information to inform the execution of the program from key stakeholders

### **Funds can be used for the following:**

- Planning
- Analysis
- Stakeholder Engagement
- Collaboration
- Legal (if a collaborative approach is proposed)
- Short-Term Capacity to Assist in Preparing a BEAD Application.

### **Funds may NOT be used for the following:**

- Construction
- Materials
- Pole license
- Make-ready
- Financing

### **Criteria:**

- Open to all types of applicants but focused on disadvantaged/nontraditional entities.
- Needs based program – Applicants must describe why those resources are not available elsewhere AND demonstrate they are likely to participate in the BEAD program. Proof could include a business plan, audited financials, narrative of challenges.
- Applicants must provide a letter of interest in participating in BEAD and preliminary statement on the geographic area they would like to serve.
- Applicants must explain the challenges they face in applying for BEAD
- Applicants must provide their existing footprint if applicable in GIS format to assist the VCBB in other administrative processes in preparation for BEAD. This must include network maps showing the service level available at each location (Fabric ID and E-Site ID) and locations of all towers/antenna, etc. (if applicable)

### **Scoring (100 points)**

- 25 points – Likelihood of Participating in the BEAD Program
- 25 points – Barriers to Participation  
(This can include new market entries, non-traditional entities, entities challenged to meet other BEAD Requirements)
- 20 points – Proposed scope and budget
- 10 points – Evidence of pursuing a collaborative approach.
- 10 points – Commitment to provide speeds of 100/100 Mbps.
- 10 points – Provision of required data in the appropriate format

Task/Subcommittee	Participants/Leaders
<p><b>Construction Standards</b></p> <p>Include open architecture policy, safety, reporting process on compliance and detailed description for each attribute. Document staff's process required for compliance to Board policy.</p>	<p>Leaders: Dan Nelson/Christine Hallquist</p> <ul style="list-style-type: none"> <li>- VCUDA (Rob or others)</li> <li>- CUDs? _____</li> <li>- Others _____</li> <li>-</li> </ul>
<p><b>Annual Report</b></p> <p>Identify all criteria, including how to address affordability, geographic diversity, Universal Service, operating standards, and reliability. Document staff's process required for compliance to Board policy.</p>	<p>Leaders: Holly Groschner/Christine Hallquist</p> <ul style="list-style-type: none"> <li>- VCUDA (Rob or others)</li> <li>- CUDs? _____</li> <li>- Others _____</li> </ul>
<p><b>Grantee Agreement</b></p> <p>Develop Grantee Agreement that VCBB will operate the system in the event of failure to comply</p>	<p>Leaders: Christine Hallquist</p> <ul style="list-style-type: none"> <li>- VCUDA (Rob or others)</li> <li>- CUDs? _____</li> <li>- Others _____</li> </ul>
<p><b>Lien</b> for the VCBB funded network and components</p> <p>Develop Lien for the VCBB funded network and components. Include sunset provision for the Lien</p>	<p>Leaders: Christine Hallquist</p> <ul style="list-style-type: none"> <li>- VCUDA (Rob or others)</li> <li>- CUDs? _____</li> <li>- Others _____</li> </ul>
<p><b>Consumer Standards Certification</b></p> <p>Policy for certification of Grantee compliance to Performance and Operating Standards</p>	<p>Leaders: Patty Richards</p> <ul style="list-style-type: none"> <li>- VCUDA (Rob or others)</li> <li>- CUDs? _____</li> <li>- Others _____</li> </ul>
<p><b>Sunset Provision</b></p>	<p>Leaders: Laura Sibia</p> <ul style="list-style-type: none"> <li>- VCUDA (Rob or others)</li> <li>- CUDs? _____</li> <li>- Others _____</li> </ul>

#	Priority	Item	Date entered	Assigned to	Resolution and date
35	1	Patty Richards to lead the Board in a response to the auditor's report	04/10/23	Board	
36	1	Determine what restrictions exist for ex parte communications	07/18/23	Patty Richards	
37	1	Develop Construction Standards <sup>1</sup>	07/18/23	Dan Nelson/Christine Hallquist	
38	1	Annual Report Submission List <sup>2</sup>	07/18/23	Holly Groschner/Christine Hallquist	
39	1	Develop Grantee agreement that VCBB will operate the system in the event of failure to comply	07/18/23	Christine Hallquist	
40	1	Develop Lien for the VCBB funded network and components <sup>3</sup>	07/18/23	Christine Hallquist	
41	1	Policy for certification of Grantee compliance to Performance and Operating Standards	07/18/23	Patty Richards/Christine Hallquist	

<sup>1</sup> Include open architecture policy, safety, reporting process on compliance and detailed description for each attribute. Staff process required for compliance to Board policy.

<sup>2</sup> Identify all criteria, including how to address affordability, geographic diversity, Universal Service, operating standards, and reliability. Staff process required for compliance to Board policy.

<sup>3</sup> Include sunset provision for the Lien

26	1	Establish policy to address issue of enforceability with any of the partners and the CUDs.	8/22/22	CH	Policy discussion to be held at 4/10/23 meeting. This is now part of the Board Policy discussions related to the Auditor's report.
29		Include placeholder for budget update, dashboards, and policy and goals discussion to all Board Meeting Agendas	11/03/22	CH	Budget and Dashboards addressed at January and February Board Meetings Christine will confirm with Patty what Board expectations are for the policy and goals discussion
24	1	Invite to the Federal Delegation to future Board Meeting	8/8/22	CH	Delegation will be invited to the January Board meeting
22	3	VCBB's approach to mapping and strategy for challenging the FCC.	6/14/22	CH	Presented initial strategy 12/12/22. A Federal Program Officer at the NTTA will be needed to work on this with and that has finally been announced as Clay Purvis from the Public Service Department. He will be invited to January meeting.
28		Finalize subsequent overbuild policy and data policy.	10/31/22		This is addressed in the VCBB Data and Overbuild Policy submitted to the Board for continued discussion at the 12/12/22 meeting.
32		Alignment of VCBB Mission Statement based on Act 71	11/14/22		Patty Richards to lead this 12/12/22.
25	2	Host workshop for the CUDs on Uniform Guidance	8/8/22	CH	Completed December 7th
30		Adjust timing of Board Packet to at least 5 business days before the Board Meeting	11/03/22		Plan to start new schedule in January
33		Create a Communication Procedure Plan for Board notifications of updates	11/14/22		Completed in the November 28 Board meeting.



		from Staff (press releases, legislative presentations,			
34		Discussion regarding development of a separate website			Staff recommends we continue with the current website which follows state protocols.
27		Board requested that a grant agreement template be shared	10/31/22		Item closed – agreement was shared
23	1	Define audit criteria and post award grant reporting and review process for grantees/CUDs	8/8/22	CH	Item Closed - Compliance Recommendation Memo presented October 31 <sup>st</sup> . Additional reporting requirements will be shared once the new form is updated and staff will create a dashboard for tracking.
18	1	Signature Authority of Executive Director	03/28/22	CH	Closed. Approved in July.
19	1	Policy around hiring staff	03/28/22	CH	Closed. Approved in July.
21	1	Invite to Doug Farnum to future Board Meeting	6/14/22	CH	Attended August 8 <sup>th</sup> meeting.
20	3	Recommendation for designation of an entity for Digital Equity & Affordability Office	03/28/22	CH	Closed. This is being addressed by the Governor's office per a directive from the NTIA. This falls into the responsibility of the VCBB as a subset of the IJUA program.
8	2	Policy on "Material Default" see §8086(c)(2)	11/1/21	board	Closed. Issue has been resolved through legislation.
5	3	VCBB Dashboard – to be shared monthly to show progress. What are the milestones?	11/1/21	CH	Closed. Stone Environmental has presented its proposal and the software platform meets the needs.
16	1	Provide Board with impact of Commitment letter	02/14/22	CH	Closed with material pre-purchasing proposal.
17	2	Statewide marketing collaboration with VCUDA	02/14/22	CH	Closed. VCUDA is not interested.

15	2	Provide Benchmarks for what telecom companies spend on Marketing	02/14/22	CH	Will research and present back on 3/14/22 Board meeting
1	1	Budget	10/18/21	CH	Completed. 2021 budget approved. 2022 will be presented in March.
2	1	Overbuild – what is the standard (20% of total served?)	11/1/21	CH	Completed. See Construction RFP Definition
3	2	Business Plans – what is the scope? Will they be updated before construction grants?	11/1/21	CH	Completed. The updated business plans will be included in the Construction RFP responses.
6	3	Fiber purchase – VCBB involvement? authorization? Status?	11/1/21	CH	Completed
7	1	Make Ready Construction – policy: part of §8085 grants or not?	11/1/21	board	Policy established. Make ready construction will be part of the construction grant program.
9	2	Revisiting timeline for VCBB – construction RFP & reporting timelines	11/22/21	RF	Completed. Part of the construction RFP. RFP approved by the Board on 01/03/22
10	2	Sequence assumptions for preconstruction and construction & reporting timelines	11/22/21	CH	Completed. Part of the Construction RFP. RFP approved by the Board on 01/03/22
11	2	DPS 2021 Map – Unserved	11/1/21	CH& board (LS)	Completed
12	1	Confidentiality. Grant Agreement Art 5 (state standard). Is the product of a grant a “public document” – e.g. will we post construction plans?	11/1/21	CH/Legal	The RFP and construction schedules will be public.

13	2	USP & contiguous CUD construction- policy	11/22/21	Board LS/HG	Completed. Addressed in the Construction RFP.
14		Legislative Consideration – Purchase of consolidated services/goods	11/29/21		Not needed.